

SAC, NEW YORK (100-21421)

1/14/58

SA [REDACTED]

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ALEXANDER TRACHTENBERG
IS-C;
SMITH ACT of 1940

NOTE On 1/6/58 NY 694-S* who has furnished reliable information in the past, made to SA [REDACTED] two letters for TRACHTENBERG from individuals in the Soviet Union.

One of these letters was in the Russian language. A translation thereof indicated it was addressed to "My own Sasha" (Sasha is the diminutive of Alexander) and was signed "Aaron". This letter was dated 12/3/57 at Moscow. According to the informant, this letter was from TRACHTENBERG's brother, who resides in the Soviet Union.

The other letter, addressed to "Dear T" and signed "C", was dated November 30 (no year). According to the informant, "T" is TRACHTENBERG and "C" refers to [REDACTED] now residing in the Soviet Union. In this letter [REDACTED] indicates that he is trying to get a "personal pension" and asks for a letter of recommendation attesting to his Party record and work while in the United States from TRACHTENBERG and "Bill" (FOSTER). [REDACTED] sets forth for TRACHTENBERG's information a record of his Party work in this country.

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A photostat of each letter and a translation of the Russian language letter are attached to the memorandum for the TRACHTENBERG file.

- ① - NY 134-91 (INVEST)
- 1 - NY 100-9365 (FOSTER) (19-1)
- 1 - NY 100-44175 [REDACTED] (7-6)
- 1 - NY 100-21421 (TRACHTENBERG) (19-1)

134-91-1230

SEARCHED.....	INDEXED.....
SERIALIZED.....	FILED.....
JAN 14 1958	
FBI - NEW YORK	

[REDACTED] 1203

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COPY

1/14/58

TELETYPE
URGENT

TO: DIRECTOR, FBI AND DETROIT

FROM: SAC, NEW YORK (100-129802)

CPUSA, COUNTERINTELLIGENCE PROGRAM, IS DASH C. NY SIX NINE
FOUR DASH S ASTERISK ADVISED THIS DATE THAT [] TOLD HIM
THAT SID STEIN GAVE HER A LETTER TO MAIL TO THE DETROIT CP OFFICE
THIS AFTERNOON. [] SAID STEIN ASKED HER TO MAIL IT OUTSIDE OF
PARTY HEADQUARTERS AND SHE OBTAINED AN AIRMAIL STAMP FROM THE
INFORMANT FOR THIS PURPOSE. [] TOLD NY SIX NINE FOUR THAT THE
LETTER CONTAINS A PROPOSAL OF UNITY WITH CARL WINTER AND SHE
REMARKED THAT IF THE QUOTE LEFT CLOSE QUOTE EVER GOT WIND OF IT
COMMA IT WOULD BE QUOTE DYNAMITE CLOSE QUOTE. THE LETTER IS
ADDRESSED TO THE DETROIT CP OFFICE COMMA NOT CARL WINTER COMMA
AND WAS AIRMAILED THIS AFTERNOON. NEW YORK REQUESTS DETROIT TO
ATTEMPT TO DETERMINE THE CONTENTS OF THIS LETTER THROUGH
INFORMANT COVERAGE IN ORDER THAT CONSIDERATION MAY BE GIVEN TO
USING IT IN THE CAPTIONED PROGRAM. DUE TO THE EXTREMELY
SENSITIVE NATURE OF THE SOURCE OF THIS INFORMATION COMMA GREAT
CARE SHOULD BE TAKEN IN ORDER NOT TO DISCLOSE THE INFORMANT.

1 - NY 134-91 (Inves.)(6)

HHA:

1 - SUPERVISOR [] #19

134-91-1231
SEARCHED.....INDEXED.....
SERIALIZED.....FILED.....

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1/11/58

PLAIN TEXT

AIRTEL

TO: DIRECTOR, FBI (100-3-69)
FROM: SAC, NEW YORK (100-80641)
SUBJECT: CP, USA - ORGANIZATION
IS - C

On 1/9/58, NY 694-S*, furnished to SA [redacted] a copy of an eleven page document captioned "Some Aspects of the Work of the Party Since the 16th National Convention." This document identified itself as a "Report by EUGENE DENNIS to a Meeting of the National Executive Committee (NEC) on December 21st, 1957."

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A Photostat of this document is enclosed herewith for the Bureau.

In the introduction of this report, DENNIS stated that recent developments "At Home and Abroad" have confirmed "in the main the estimates made by the 16th National Convention of our party." DENNIS recognized that although the party itself today is formally "united," he recognizes that "... at present the theoretical and political differences and the struggle between divergent ideological positions," have divided the party. He continued by pointing out developments which have taken place domestically and internationally since the convention. In these instances, he referred to the Middle Eastern situation, as well as the launching of the Soviet Satellites, and also the present economic situation in the United States. He

3-Bureau (Encl. 1) (RM)
4-New York (100-80641)
(1-100-80641) (EUGENE DENNIS) (19)
(1-134-91) (INVER) (6)

JDN:pam
(7)

1-Supervisor [redacted] (#19)

134-91-1232

SEARCHED	INDEXED
[redacted]	[redacted]

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NY 100-80641

stated "A development of major importance in the recent period is the appearance of the Declaration issued by twelve Communist and Workers Parties in Moscow, together with the Peace Manifesto, signed by representatives of sixty four Communist and Workers Parties." The report went on to discuss what DENNIS considered to be contributions made by the party since the convention and stated "The party also has reacted effectively in a number of districts to developments in the South, and the struggle for Negro rights generally." He reported that as far as the Party organization was concerned, that in several districts there has been "A shaking of the decline and a certain degree of consolidation of the party organizations" DENNIS stated the National leadership has undergone sharp criticisms by the entire membership of the party and that he felt that such criticisms were "quite properly," and recognized that within the party, there were "ultra-left rightist elements." In referring to the 16th National Convention, he reported that it, "established a generally sound orientation on the main questions confronting us Particularly noteworthy is the stress of the convention resolution that "our chief task is to strengthen, rebuild, and consolidate the Communist and overcome its isolation." DENNIS recognizes that the struggle against "left sectarianism and degeneration" would be a long and protracted struggle. Recognition was also made of "right wing tendencies and of an increasingly dangerous revisionist trend" which have occurred since the convention. This report is concluded by what DENNIS refers to as "A program for 1953." In this program, as one of his suggestions, he states " . . . the National Committee will have to give due consideration to certain changes, to strengthening both the National Executive Committee, and

NY 100-80641

the National Administrative Committee organizationally and politically. Probably, consideration should also be given to the establishment of a National Board or some other political body which can act with the needed collectivity and political authority on a weekly basis, or oftener." In his concluding statement, DENNIS says "And I emphasize again that I do not consider it inevitable that the present grave disunity in the party and its leadership need necessarily lead to ever more damaging explosions and divisions given a sincere desire to fight for unity based upon our scientific socialist principles; given a readiness to work for a revitalization of our party and overcoming its isolation, for a balanced, flexible application of the line of the 16th convention, including the development of a systematic relentless struggle against dogmatism and revisionism."

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OFFICE MEMORANDUM

UNITED STATES GOVERNMENT

DATE: 1/14/58

TO: SAC, NEW YORK (100-467)

FROM: SA [REDACTED]

SUBJECT: [REDACTED]

IS-C

Source NY 694-S*
Reliability Who has furnished reliable
information in the past
Agent to whom SA [REDACTED]
furnished

On 12/31/57, NY 694-S* advised that in a conference on 12/30/57 with [REDACTED] NY State CP functionary, the latter told the informant the following:

With respect to the current Party registration, the NY State CP will be fortunate to register 1000 in the Industrial Division. In 1956 2700 were registered in the said division. So far, only 200 have been registered in Manhattan. The Party will be "lucky" to register 300 in Queens. In the distributive unions, only 50 have registered thus far.

Concerning the "Daily Worker," \$65,000 will be needed before the said paper can commence operations. This sum is needed for severance pay to employees and for liquidation of debts.

[REDACTED] positively refuses to return to the CP \$25,000 in cash which he has been holding as a depository.

- 1-New York (100-80638) (CP, USA-Membership) (19-1)
- 1-New York (100-26603 Ch2) (CP, USA District 2 NY County-Manhattan) (12-16)
- 1-New York (100-26603 Ch1) (CP, USA District 2 Queens Co.) (12-13)
- 1-New York (100-132430) (CP, USA, District 2, Industrial Division) (12-0)
- 1-New York (100-132505) (CP, USA, District 2, Industrial Division, Distributive Region) (12-14)
- 1-New York (97-163) ("DAILY WORKER") (7-2)
- 1-New York (100-50983) [REDACTED] (19-2)
- 1-New York (100-26603) (NY State CP, District 2) (19-1)
- 1-New York (100-128314) (NY State CP, District 2, Funds) (19-1)
- 1-New York (100-74560) (CP, USA-FUNDS) (19-1)
- 1-New York (134-91) (NY 694-S*) (P&C) (6)
- 1-New York (100-467)

JDW:jnc
(12)

100-467-1233
JAN 15 1958

NY 100-467

He anticipates going to jail and states that he intends to keep this money for his family's needs. The Party had offered to settle with him, but to no avail.

At a NY State CP meeting on 12/31/57 the problem would be a major matter of discussion.

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A I R T E L

TO : DIRECTOR, FBI (100-3-81)
FROM : SAC, CHICAGO (100-33729)
SUBJECT: COMMUNIST PARTY - USA
INTERNATIONAL RELATIONS
INTERNAL SECURITY - C

DATE: 1/15/58

SAC
DIV. 1
DIV. 2
DIV. 3
DIV. 4
SEC. 1
SEC. 2
SEC. 3
SEC. 4
SEC. 5
SEC. 6
SEC. 7
SEC. 8
SEC. 9
SEC. 10
SEC. 11
SEC. 12
SEC. 13
SEC. 14
SEC. 15
SEC. 16
SEC. 17
SEC. 18
SEC. 19
SEC. 20

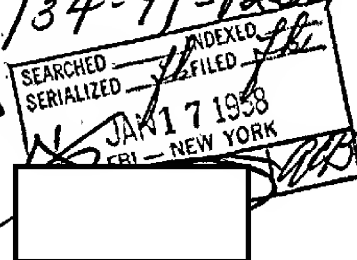
Re previous teletypes and airtels reflecting that NY 694-S* had received a message from LESLIE MORRIS, acting Secretary of the Labor Progressive Party of Canada in the absence of TIM BUCK, that the Russians are most happy and glad to make contact with CG 5824-S* and EUGENE DENNIS and are awaiting proposals from the states in regard to contact.

CG 5824-S* orally advised SA JOHN E. KEATING on 1/14/58 that he had conferred with LESLIE MORRIS and BILL KASHTAN, members of the Secretariat of the Labor Progressive Party, on Tuesday, 1/7/58, in Toronto, Canada. Full details of this meeting will be submitted in a separate communication.

MORRIS and KASHTAN stated that they had been informed in a general way by TIM BUCK, before he left Canada for Moscow, that the possibility of a meeting between a representative or representatives of the Communist Party - USA and the Communist Party of the Soviet Union had been discussed by BUCK and

- 4 - Bureau (AIR MAIL)(REGISTERED)
(1 - 100-) (TIM BUCK)
③ - New York (AIR MAIL)(REGISTERED)
(1 - 100-86624) (CP-USA, International Relations) (#19-1)
(1 - 100-8057) (EUGENE DENNIS) (#19-1)
(1 - 134-91) (NY 694-S*) (#6) (P & C) (Info) (INVS)
2 - Chicago
(1 - 134-46)

JEK:kw
(9)



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CG 100-33729

CG 5824-S*. KASHTAN and MORRIS stated that they were puzzled by the text of the original message received from the Russian Ambassador to Canada. They stated that they did not know whether this message originated with the Russians or whether it was a verification by the Russians of a discussion they had had with TIM BUCK either in Canada or in Russia.

MORRIS and KASHTAN stated that inasmuch as no further word had been received from the Russians, they believed that no action should be taken in this regard until BUCK's return to Canada. They also agreed with the informant that no action should be taken until the present complicated situation within the Communist Party - USA is cleared up so that a representative of the Communist Party - USA could represent the majority viewpoint in the American Party.

MORRIS and KASHTAN stated that TIM BUCK is presently in Peking, China. They have received letters from him, and received a letter on 1/7/58. In this letter, BUCK stated that he had been invited to China by MAO-TSE-TUNG and could not avoid the trip to China. MORRIS and KASHTAN stated that they had cabled BUCK, urging him to return to Canada for a meeting of the National Committee of the Labor Progressive Party, and indicated to BUCK that the membership of the Labor Progressive Party might criticize him for being absent for so long a period. Meanwhile, BUCK had written the letter which was received on 1/7/58. In this letter, BUCK stated that he felt that it would be inhospitable if he did not stay in China until the end of February, and urged MORRIS and KASHTAN to go ahead with the meeting of the National Committee of the Labor Progressive Party.

KASHTAN and MORRIS stated that they felt that BUCK could explain to the Chinese that he had to return to Canada and that as a result of their cable they might receive word that he would return to Canada for a meeting of the National Committee before the end of January.

KASHTAN and MORRIS told CG 5824-S* that they would advise him as soon as they knew when BUCK would return to Canada.

CG 100-33729

CG 5824-S* conveyed this information to EUGENE DENNIS on 1/8/58.

The Bureau and New York will be advised of any pertinent developments in this matter.

IT IS SUGGESTED THAT THIS INFORMATION NOT BE DISSEMINATED OUTSIDE THE BUREAU, IN ORDER TO FULLY PROTECT THE INFORMANT.

AUERBACH

1/17/58

AIRTEL

TO: DIRECTOR, FBI (100-3-70)
FROM: SAC, NEW YORK (100-80636)
SUBJECT: CPUSA-LEGISLATIVE ACTIVITIES
IS-C

CINAL

NY 694-S* furnished on 1/17/58, a press release prepared by ARNOLD JOHNSON, who is operating as national CP Legislative Director, and issued by EUGENE DENNIS on behalf of the National Executive Committee, CPUSA. This release concerns the Communist Party legislative proposals for action by the 85th Congress. Scheduled for release 1/20/58.

Copy enclosed.



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- 3 - BUREAU (100-3-70)(Enc.-1)(RM)
- 1 - NY 134-91 (Inves.)(6)
- 1 - NY 800-8057 (EUGENE DENNIS)(19-1)
- 1 - NY 100- (ARNOLD JOHNSON)(12-14)
- 1 - NY 100-80636 (19-1)

JJK:HC (19-4)
(8)

134-91-1235
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SERIALIZED.....FILED.....

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1-Sup.  19



SAC, NEW YORK (100-128822)

January 16, 1958

SA [REDACTED] (19-2)

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CP-USA, EDUCATION,
N.Y. DISTRICT, N.Y. DIVISION
INTERNAL SECURITY - C

On January 15, 1958, NY 694-S* furnished SA [REDACTED]
with a six page mimeographed document entitled "Questions and Answers on
Registration and Party Building" by WILLIAM WEINSTONE and dated 12/27/57.

This document is being made an exhibit in 100-128822.

① 134-91 (INVS)

134-91-1236

SEARCHED	INDEXED
SERIALIZED	FILED
JAN 16 1958	
FBI - NEW YORK	

[REDACTED]

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1/21/58

AIR-TEL

REGISTERED

TO: DIRECTOR, FBI (100-397666)
FROM: SAC, NEW YORK (100-1051)
TITLE: [REDACTED] was,
IS-N & PO

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Re NY airtel to Bureau 1/10/58 captioned as above and Albany letter to Bureau 1/10/58 entitled, "SIAMONIR LIPOWSKI; IS-PO."

Re Albany letter described a meet which occurred in NYC on 1/4/58 between [REDACTED] and SIAMONIR LIPOWSKI at which time the latter informed [REDACTED] that the informant's next meet would be in Mexico City on 4/12/58 with a different individual.

Re NY airtel set out the information that [REDACTED] advised NY 694-S* on 1/2/58 that he intends to make a trip to Mexico in the spring. [REDACTED] gave no reason for making this trip but indicated to NY 694-S* that it would not be a pleasure trip.

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For the information of the Albany Office, [REDACTED] is a garment worker who resides in NYC and he is presently unemployed.

In December, 1936, NY 694-S* who has furnished reliable information in the past, advised that [REDACTED] was a suspected intelligence agent for Polish principals. (Documentation)

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NY 694-S* in addition has advised that [REDACTED] informed him that while abroad in France in 1946 he [REDACTED] met with Polish CP functionaries, at which time [REDACTED] was given certain instructions apparently relative to an intelligence mission in the U.S. [REDACTED] also informed NY 694-S* that while in France he had attended a school

- 5-Bureau (100-397666) (RM)
- (8-105-14751) (S. LIPOWSKI)
- 3-Washington Field (105-14159) (S. LIPOWSKI) (RM)
- (1-100-87523) [REDACTED]
- 2-Albany (100-1304) (S. LIPOWSKI) (RM) (encl. 3)
- (1-[REDACTED])
- 1-NY 105-14751 [REDACTED]
- 1-NY 105-17066 (S. LIPOWSKI)
- 1-NY 134-21 (INVE3)

100-91-1238

SEARCHED	INDEXED
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FBI - NEW YORK	

[REDACTED] V

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NY 105-14751

PAGE 2

NY 105-6001

where he was taught how to make "microdots." Subsequently, [redacted] exhibited his "microdot" making techniques to NY 694-B. To date, however, [redacted] has not confided to NY 694-B the nature of his intelligence mission or the identity of any of his confederates.

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Since "microdots" are photographic reproductions of material reduced optically to the approximate size of a typed period or pencil dot, they can be used to conceal the communication of material.

The possibility exists that [redacted] on his forthcoming trip to Mexico may meet the same individual who is to meet [redacted] on 4/12/54. Conceivably [redacted] himself, may be the contact of [redacted]

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Consequently, there is being enclosed for the Albany office 3 photographs of [redacted] with his description on the reverse side. Albany may wish to exhibit [redacted]'s photograph to [redacted] prior to his departure for Mexico.

The NYO will be alert to any further information bearing on [redacted] intended trip to Mexico this spring and all pertinent offices will be kept advised.

Albany is advised that information set out herein from NY 694-B should not be disseminated without prior Bureau approval since the informant is a highly delicate source and the information would tend to identify him.

For info,

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11/1/54

A I R T E L

TO : DIRECTOR, FBI (100-3-69)
FROM : SAC, CHICAGO (100-33741)
SUBJECT: COMMUNIST PARTY - USA
ORGANIZATION
INTERNAL SECURITY - C
C I N A L

DATE: 1/21/58

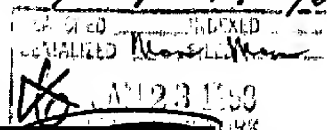
SAC
DIV. 1
DIV. 2
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DIV. 4
SEC. 1
SEC. 2
SEC. 3
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SEC. 5
SEC. 6
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SEC. 19
SEC. 20

UTMOST CARE MUST BE UTILIZED IN HANDLING AND REPORTING THE FOLLOWING INFORMATION IN ORDER TO PROTECT THE IDENTITY OF A HIGHLY PLACED INFORMANT.

CG 5824-S*, on 1/20/58, orally furnished to SA JOHN E. KEATING the information contained on the following pages:

- 4 - Bureau (AIR MAIL)(REGISTERED)
(1 - 100-3-104)(CP-USA, Counter-Intelligence Program)
- 2 - Boston (REGISTERED)
(1 - 100-20779)(CP-USA, New England District, Organization)
(1 - 100-16160)(MIKE RUSSO)
- 1 - Detroit (100-13420)(CARL WINTER)(REGISTERED)
- 1 - Los Angeles (100-26044)(CP-USA, Organization)(Info)(REGISTERED)
- 2 - Newark (REGISTERED)
(1 - 100-4284)(CP-USA, New Jersey District, Organization)
(1 - 100-2974)
- ⑧ - New York (REGISTERED)
(1 - 100-87211)(CP-USA, Factionalism)(#19-1)
(1 - 100-80640)(CP-USA, Negro Question)(#19-1)
(1 - 100-80641)(CP-USA, Organization)(#19-1)

See ii page for additional copies.



(1 - 100-23825) (BENJAMIN DAVIS, JR.) (#19-1)
(1 - 100-8057) (EUGENE DENNIS) (#19-1)
(1 - 100-50090) (SID STEIN) (#19-1)
(1 - 100-27452) [REDACTED] (#19-1)
(1 - 134-91) (NY 694-S*) (#6) (P & C) (Info) (INVES)

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2 - San Francisco (REGISTERED)
(1 - 100-27747) (CP-USA, Organization)
(1 - 97-26) (WILLIAM SCHNEIDERMAN)

12 - Chicago
(1 - A/134-46)
(1 - 100-18963) (CP-USA, Illinois District, Factionalism)
(1 - 100-18956) (CP-USA, Illinois District, Negro Question)
(1 - 100-18953) (CP-USA, Illinois District, Organization)
(1 - 100-24729) (EMANUEL BLUM)
(1 - 100-3470) (MORRIS CHILDS)
(1 - 100-18001) (FRED FINE)
(1 - 100-2748) [REDACTED]
(1 - 61-867) (CLAUDE LIGHTFOOT)
(1 - 100-19736) [REDACTED]
(1 - 100-32207) (CINAL)

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JEK:kw.
(32)

January 20, 1958

Time, Type and Place of Meeting

There was an informal meeting in the Chicago headquarters of the Communist Party of Illinois on Monday afternoon, January 20, 1958.

Persons in Attendance

In attendance at this meeting were MORRIS CHILDS, [redacted]
[redacted] CLAUDE LIGHTFOOT and [redacted]

General Discussion on the
Communist Party - USA

[redacted] took a rather detached position and made statements against the ultra-Left in the Communist Party - USA.

CLAUDE LIGHTFOOT restated a position he has taken recently. This position is that he favors a group Left of Center taking over the leadership of the Communist Party - USA, since the current thinking of the majority of the membership in the Communist Party is Left of Center. LIGHTFOOT also stated that while he would be willing to give up some of his administrative duties, he would fight anyone who tried to remove him from the National Committee. He said that he would like to continue as a member of the policy-making bodies in the Communist Party - USA, even if the Party is turned over to the ultra-Left wing.

LIGHTFOOT also stated that he thought that the document currently being prepared by himself and CARL WINTER could be used to bring about unity in the Party.

[redacted] who frequently erroneously referred to CLAUDE LIGHTFOOT as CARL, was very judicious. He said that he did not think that there should be a one-sided leadership of one complexion in control of the Communist Party - USA. He said that he thought that the leadership should be composed of a Center group around EUGENE DENNIS, BEN DAVIS and himself. He said that he would like to see other people of the Right complexion in this leadership.

Those present corrected [redacted] and stated that he was proposing a Left of Center group and not a Center group for

the national leadership. The discussion turned to the ultra-Left and an attempt to determine who was responsible for the ultra-Left wing in the Party. CLAUDE LIGHTFOOT said that the Right wing and the Left of Center group are responsible for the ultra-Left. He said that the ultra-Left will not be satisfied. They will want to kill those who help them. He said that the Party made too much of an issue of JOHN GATES and now GATES is gone.

This was followed by a debate concerning theory and practice. LIGHTFOOT said that at one time he thought that the Party could resolve its problems through practical work. He said that he now believes, however, that it is necessary to solve basic problems before doing any practical work and that the two cannot be separated. He talked about the skepticism and disgust in the ranks of the Party and said that the members do not know what to do.

[redacted] then presented some additional ideas. He stated that he agrees with the results of the 16th National Convention of the Communist Party - USA, but he believes that an estimate, even though limited, of the 16th National Convention is necessary. He stated that the persons responsible for the paralysis of the Party are the Right wingers.

At this point, CLAUDE LIGHTFOOT asked [redacted] why he always talks about the Right wing. [redacted] asked, What about the New York District? The New York District is also hampering and paralyzing the work of the Party.

In a very brief statement, [redacted] stated that he agrees with the report of EUGENE DENNIS on the work of the Party since the 16th National Convention, even though there are some shortcomings in the DENNIS report. [redacted] said that he also agrees with the DENNIS report. LIGHTFOOT stated that the work of the Party since the 16th National Convention is being made a political football. [redacted] challenged LIGHTFOOT and criticized the motion to suppress the reports of DENNIS and SID STEIN to the National Executive Committee on the work of the Party since the 16th National Convention. [redacted] said that it is better for the membership to know what is happening.

In concluding this discussion, [redacted] said that he is not in favor of a radical change in the national leadership,

though he does not object to a majority of the leadership being of a certain political trend. He stated that if some unity can be achieved, then there can be a fight against the ultra-Left.

Discussion Between MORRIS CHILDS
and [redacted]

This informal meeting was followed by a private discussion between [redacted] and MORRIS CHILDS.

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[redacted] asked CHILDS if he thought that the Communist Party - USA should have a national convention soon. CHILDS replied that he had not given this matter any thought, but stated that the Illinois State Committee passed a resolution recommending a national consultative conference.

By way of comment, this question of [redacted] to CHILDS may indicate that the current leadership of the Communist Party - USA is giving some serious thought to the possibility of holding a national convention as a means of eliminating some of its current problems.

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CHILDS asked [redacted] what he thought about changing the national leadership. [redacted] repeated what he had said earlier. He stated that he favors some changes, but that it is not necessary for all the leadership to be of one complexion. He said, however, that some "guys" in the leadership will have to go. He stated that it will be necessary to see what happens when FRED FINE returns from California. He also stated that SID STEIN will have to "knuckle under" or he will have to go.

[redacted] then talked about the Negroes in the Party leadership. He said that the Negroes in the leadership are divided. They are not all on one side. CHILDS told [redacted] that CLAUDE LIGHTFOOT is very popular in Illinois and that some Negro Party members in Illinois are passive at this time. CHILDS also stated that there is a fight in the Communist Party of Illinois between the Left wing and the ultra-Left. [redacted] asked CHILDS if he should visit [redacted] of the ultra-Left in Illinois, since [redacted] had invited him to his residence. CHILDS suggested that since [redacted] plans to be in the Chicago area until January 30, 1958, he should postpone his visit to [redacted] until later so that it would not be misinterpreted.

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Then [] stated that it will be necessary for the Communist Party - USA to get rid of some District Organizers, and that New Jersey was one place he had in mind. He said that in New Jersey you have a situation similar to the situation which existed in the National Executive Committee before GATES resigned. He said that someone is always threatening to resign from the leading committees in New Jersey and that something will have to be done about this.

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CHILDS asked [] about the situation in New England. [] said that MIKE RUSSO speaks only for MIKE RUSSO and he does not represent the sentiment of the New England District. [] said that RUSSO became the District Organizer in New England through some maneuver.

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Next [] said that he doubts that the "document of compromise" being prepared by LIGHTFOOT and WINTER, as a part of the sub-committee of four, will pass. He stated, however, that he would like to see unity in the Party. He said that it is necessary to have an agreement on principle. Then he stated that the Party may have its program, or at least that part of the program dealing with the road to Socialism or a restatement of the role of the Party, prepared prior to the next meeting of the National Committee. He said that this might serve as a statement of principle for the Party.

[] also asked CHILDS if [] has disassociated himself from the ultra-Left wing at any time. CHILDS replied that [] had not, to his knowledge.

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COMMENTS OF CG 5824-S*

It is believed that the Left wing in the leadership of the Communist Party - USA does not feel safe as long as the ultra-Left wing remains organized. It is further believed that [] will try to win a few people from the ultra-Left to the Left wing viewpoint. He will also try to organize a group around the Left wing and the Left of Center group.

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The Left wing will be out to get anyone who has been associated with JOHN GATES. Yet, the Left wing cannot eliminate the Right wing all at once. If the Left wing can obtain agreement on policy, it will keep some of the Right wing leaders for window-dressing in order not to further split the Party. At the same time, the Left wing will not compromise on the actual leadership.

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It is believed that [] is doing the "leg work" for the Left wing. He will undoubtedly visit those Districts where the Right wing has influence. He mentioned that WILLIAM SCHNEIDERMAN is being proposed as the new leader of the Right wing. This move by the Right wing would be to ostensibly bring new people into the leadership, but actually it would mean the retention of the Right wing leadership in the same old hands.

AUERBACH

1-2)

1/21/58

TELETYPE

TO: DIRECTOR, FBI

FROM: SAC, NEW YORK (TIME: FIVE FIFTEEN)

WILLIAM Z. FOSTER, WAS. IS DASH C, SA DASH PORTY, ISA
DASH FIFTY CINAL, NY SIX NINE FOUR DASH B ASTERISK ON
JANUARY TWENTY FIRST INSTANT REPORTED A CONTACT ON
JANUARY TWENTY LAST WITH MANUEL KOLKO. KOLKO MENTIONED
THAT TIMBUCK, CANADIAN C. P. LEADER RECENTLY IN MOSCOW AND
CURRENTLY IN CHINA, WAS HANDLING "A MATTER" FOR
FOSTER IN MOSCOW AND WOULD REPORT THEREON TO FOSTER
ON BUCK'S RETURN. KOLKO, AFTER MAKING THIS STATEMENT,
THEN SAID HE HAD SPOKEN TO "PEOPLE HERE" WHO
ASSURED HIM THAT THE SOVIETS WOULD BE PLEASED TO
HAVE FOSTER IN THE SOVIET UNION, THAT IT WOULD BE
NO PROBLEM TO SEND HIM THERE ON A STRETCHER ABOARD
A PLANE TO PRAGUE BUT THAT IT COULD NOT APPEAR

cc - 2 - NEWARK (RM)

1 - (100- MANUEL KOLKO)

1 - (100- SYLVIA KOLKO)

1 - SUPERVISOR [REDACTED] (#19)

1 - NY 100-94823 (ESTHER FOSTER)(12-10)

1 - NY 100-86624 (CPUSA INTERNATIONAL RELATIONS)(19)

1 - NY 100-24733 (MANUEL KOLKO)(7-6)

① - NY 134-91 (IVES)(PAC)(6)

1 - NY 100-9365

JDW:cmv

(10)

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b7C

134-91-1240

SEARCHED	INDEXED
SERIALIZED	FILED
JAN 21 1958	
FBI - NEW YORK	

[REDACTED] 2400

PAGE TWO

THAT THE SOVIETS WERE ACTIVELY ATTEMPTING TO BRING
FOSTER TO MOSCOW. INFORMANT TOLD KOLKO THAT
BUCK RECENTLY SENT A MESSAGE TO FOSTER THROUGH
THE INFORMANT, THE MESSAGE HAVING BEEN " EMPHATICALLY
YES". INFORMANT ASKED KOLKO WHETHER THIS MESSAGE
REFERRED TO FOSTER'S GOING TO MOSCOW. KOLKO
INDICATED THAT IT DID. KOLKO ALSO STATED THAT
HIS OWN CONTEMPLATED TRIP TO MOSCOW DEPENDS UPON
WHAT BUCK WOULD REPORT ON HIS RETURN FROM ABROAD.
NEW YORK SIXTEEN NINETY SIX DASH S ASTERISK ADVISED
ON JANUARY TWENTY FIRST INSTANT THAT SYLVIA
KOLKO, IN CONVERSATION WITH ESTHER FOSTER THAT
DAY, STATED [REDACTED] (PROBABLY [REDACTED])
FOSTER [REDACTED] IS FIRM, THAT FELLOW
(PROBABLY REFERRING TO TIM BUCK) WON'T BE BACK
FOR A MONTH OR SIX WEEKS. HE WILL SEE HER [REDACTED]
[REDACTED] AGAIN BEFORE HE GETS HOME". SYLVIA SAID

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b7c

PAGE THREE

"HIS (BUCK'S) WIFE (PROBABLY ELIZABETH MASCOLO) IS
VERY ANGRY BECAUSE HE IS AWAY SO LONG". ESTHER
WANTED TO KNOW HOW SYLVIA KNEW THIS AND SYLVIA
SAID "THE WIFE GOT A LETTER". *NEWARK ADVISED BY
mail.*



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b7c

Standard Form No. 64

OFFICE MEMORANDUM - United States Government

TO : DIRECTOR, FBI (100-426395) DATE: 1/21/58
FROM : SAC, NEW YORK (100-130351)
SUBJECT: 575 SIXTH AVENUE REALTY, INCORPORATED,
INTERNAL SECURITY - C,
INTERNAL SECURITY ACT OF 1950.

ReBulet 1/3/58 enclosing a letter from the
Department dated 12/27/57, containing requests concerning
the availability to testify of certain informants in the
report of Special Agent [redacted] 9/4/57, New York,
and the interview of certain informants.

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There are being enclosed herewith for the
Bureau the seven copies of a letterhead memorandum contain-
ing the requested information. The identity of each
informant listed in Departmental letter is as follows:

T-3
T-4
T-6
T-7
T-8
T-9
T-14
T-15

[redacted]
NY 694-S*

b7D

7 - BUREAU (100-426395) (7 ENCLS.) (RM)

(1 - 100-15716 - [redacted]) (1 - 100-79366 - [redacted])
(1 - 100-340711 - NY 694-S*)
(1 - 100-382052 - [redacted])

⑥ - NEW YORK (100-130351)

(1 - [redacted]) (1 - 134-91) (IN VES)
(1 - [redacted])
(1 - [redacted])

SPC:DJG

EP (13)

134-91-1241
SEARCHED INDEXED
SERIALIZED FILED
JAN 22 1958
[redacted]
#6

b6
b7C

Letter to Director
NY 100-130351
Re: 575 Sixth Ave. Realty, Inc.,
ISC, ISA 1950

As is noted, T-3, T-4, and T-14 are confidential techniques and are not available for interview concerning the topics requested by the Department. Information furnished by T-6 is contained in records so that it was not necessary to interview that source. T-7, T-8, T-9, and T-15 were interviewed on the topics listed in Departmental letter and the results of these interviews are contained in the enclosed memorandum. A review of the files in the NYO failed to reflect any other informant or source who could testify concerning the requests of the Department. However, the NYO will remain alert to this situation and will advise the Bureau immediately on obtaining such information.

In connection with the interviews mentioned above, they were handled by the Special Agents listed below on the dates indicated.

[redacted]
NY 694-S*

[redacted]

JOHN A. HAAG 1/15/58

[redacted] 1/15/58

JOHN A. HAAG 1/13/58

GUSTAV S. ABRANDT 1/20/58

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b7D

UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION
201 East 69th Street,
New York 21, New York.
January 21, 1958.

~~CONFIDENTIAL~~

RE- 575 SIXTH AVENUE REALTY,
INCORPORATED;
INTERNAL SECURITY - C.
INTERNAL SECURITY ACT OF 1950.
Bureau File 100-426395

Reference is made to memorandum dated December 27, 1957, from William F. Tompkins, Assistant Attorney General, Internal Security Division in the above-captioned matter requesting that the availability of certain informants utilized in the report of Special Agent [REDACTED] dated September 4, 1957, at New York, be determined,

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In this connection, it is noted that T-3, T-4, and T-14, are confidential investigative techniques.

T-7 and T-8 are currently furnishing information to this Bureau on a national level concerning Communist Party matters and are not available for testimony or interview by Departmental attorneys.

Information furnished by T-6 can be made public only upon the issuance of a subpoena duces tecum directed to [REDACTED]

b7D

T-9 and T-15 are current active informants.

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

In connection with the Department's request concerning the interview of these informants to determine their knowledge of certain topics listed in the letter from the Department, T-7, T-8, T-9, and T-15 were available for interview. However, none of these informants were able to furnish any information covering the topics listed in Departmental letter. There were no other individuals, who are available to testify, who possess information of the type requested by the Department.

All of the information requested by the Department in this matter is contained in this memorandum.

**THIS IS LOANED TO YOU BY THE FBI,
AND NEITHER IT NOR ITS CONTENTS
ARE TO BE DISTRIBUTED OUTSIDE
THE AGENCY TO WHICH LOANED.**

~~CONFIDENTIAL~~

DIRECTOR, FBI (100-3-63)

1/22/58

SAC, NEW YORK (100-74560)

CP, USA - FUNDS
IS - C

ReBulet, 1/16/58.

A review of information contained in NYfile 105-11160 pertaining to the Seaboard Trading Company, IS-CZ, HU & PO, fails to either corroborate or refute the allegation that funds obtained from this company are being used to finance CP operations.

However, in connection with the above, it is noted that on 1/17/58, [redacted] New York State CP membership and financial director, came to the office of NY 694-S* and requested letter to "do something for the Party".

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b7C

- 5 - Bureau (RM)
(2-100 3-63) (CP, USA - Funds)
(1-105-33886) (Seaboard Trading Co.)
(1-100-340711) (NY 694-S*)
(1-100-397666) [redacted]
- 1 - New York (105-11160) (Seaboard Trading Co.) (18)
(1) - New York (134-9) (Davis) (6)
1 - New York (100-13743) [redacted] (7-1)
1 - New York (100-487) [redacted] (19)
1 - New York (105-6061) [redacted] (6)
1 - New York (100-74560) (19)

b6
b7C

ADSI:jed
(11)

134-9-1242

NY 100-74560

[] indicated he was aware of the fact that the informant was "in contact with the Poles", and desired NY 694-S* to convey a message to them.

[] stated he had learned that [] whom he described as an ex-Communist and a former official of the Furriers Union, was engaged in some kind of business with the Poles. [] added that a man from Pennsylvania (not otherwise identified) was associated with [] in this business. [] stated he was certain that if the Poles knew that [] was no longer in the CP, and that he is not to be trusted, they would cease doing business with him. [] requested that NY 694-S* inform his Polish contacts that STRAUSS is "a no-good so-and-so, who is not to be trusted".

It should be noted that NY 694-S* is in contact with [] suspected Polish intelligence agent, and [] is the person to whom above information would be transmitted. NY 694-S* anticipates he will next see [] sometime in the early part of February, 1958. Unless contrary instructions are received from the Bureau by 2/1/58, this office will recommend that NY 694-S* transmit this information to []. It is believed this action on the part of NY 694-S* will help him to ingratiate himself further with [] and will also provide an opportunity to learn whether Polish Intelligence would take any action as a result of information relayed through [].

NY 100-74560

In view of above information made available by NY 694-S*, and since there is no definite information indicating that the Seaboard Trading Company is a source of CP funds, this office does not believe that additional investigation of this company is warranted in connection with the overall investigation of CP, USA, financial operations.

Bureau's attention is directed to the fourth paragraph of this letter which contains UACB request.

1-24

SAC, BOSTON (100-547)

1/23/58

SAC, NEW YORK (100-13545)

ANNE BURLAK TIMPSON
SM-C

On 1/16/58 [redacted] in the CP National Office, conferred with NY 694-S, a highly reliable informant of the NYO, whose security must be protected.

NY 694-S advised SA [redacted] on 1/17/58 that in the course of the discussion with [redacted] the latter mentioned, without furnishing additional details, that ANNE BURLAK (TIMPSON) recently had quit the Party.

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24-58
Chief Clerk
Post 1/20/58
[Signature]

2-Boston (100-547) (RM)
1-New York (134-91) (INVEST) 6
1-New York (100-68931) [redacted] 12-11
1-New York (100-13545)

AGS:jao
(5)

134-91-1243

SEARCHED.....	INDEXED.....
SERIALIZED.....	FILED.....
JAN 23 1958	
[redacted] RK	

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1-24

SAC, NEW YORK (100-54637)

1/23/58

SA [redacted]

NY-C

Source	NY 694-S* (protect)
Reliability	Who has furnished reliable information in the past
Date of Activity	1/16/58
Date Received	1/17/58
Received by	SA [redacted]

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While discussing other matters with NY 694-S, [redacted] at the CP National Office, mentioned that [redacted] of the CP National Office, recently quit the CP. Smith furnished no further details regarding this matter.

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- ①-New York (134-91) (INVER) 6
- 1-New York (100-13923) [redacted] 19
- 1-New York (100-68934) [redacted] 12-11
- 1-New York (100-54637)

ACB:jao
(4)

134-91-1244
OAB New Wms
[redacted] RCB

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SAC, NEW YORK (100-129802)

1/23/58

SA HOBSON H. ADCOCK, #19

COMMUNIST PARTY, USA
COUNTERINTELLIGENCE PROGRAM
INTERNAL SECURITY - C

The New York Office, by teletype dated 1/14/58, advised the Bureau that SID STEIN allegedly sent an airmail letter to Detroit CP Headquarters containing a proposal of unity with CARL WINTER. This information was furnished to this Office by NY 694-S*, who stated that his source indicated that if this information was learned by the "left", probably referring to the FOSTER-BENJAMIN J. DAVIS faction, it would be dynamite. The Detroit Office was requested to attempt to learn the contents of the letter through confidential sources.

Detroit, by airtel dated 1/16/58, advised that appropriate contacts failed to reveal that the above-mentioned airmail letter was received in Detroit during the period of early morning 1/15 through the evening hours of 1/16.

The Bureau, by letter dated 1/21/58, requested that the New York and Detroit Offices remain on the alert for pertinent information concerning this alleged communication between STEIN and WINTER. The Bureau further pointed out that information of this kind could obviously be of extreme value in connection with the captioned Program. The Bureau instructed that it be advised promptly if any pertinent information is received in this connection.

NY 694-S* will be advised to remain alert for any other developments in this matter. In addition, this Office will attempt to determine if any other sources may be able to reveal the contents of said letter.

- 1 - New York 134-91 (NY 694-S*)(#6) (IN FILE)
① - New York 100-129802(CP, USA COUNTERINTELLIGENCE PROGRAM)(#19)

HHA:ha
(2)

134-91-1245

SEARCHED	INDEXED
SERIALIZED	FILED
JAN 23 1958	
FBI NEW YORK	

acb

#6

b6
b7c

OFFICE MEMORANDUM *** UNITED STATES GOVERNMENT

TO : DIRECTOR, FBI (65-62041)
FROM : SAC, CHICAGO (65-3888)
SUBJECT: SASH
ESPIONAGE - R

DATE: 1/23/58

THE INFORMATION CONTAINED HEREIN IS OF SUCH A NATURE THAT IT TENDS TO DISCLOSE CG 5824-S* AS THE SOURCE THEREOF. IT IS, THEREFORE, NECESSARY THAT EXTREME CAUTION BE EXERCISED IN THE DISSEMINATION OF THIS INFORMATION, IN ORDER TO PROTECT THE IDENTITY OF THE INFORMANT.

CG 5824-S*, on January 14, 1958, orally furnished the information contained on the following pages to SA JOHN E. KEATING and Stenographer [redacted] CG 5824-S* furnished a report on this information to EUGENE DENNIS in New York City on January 8, 1958.

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A copy of the speech TIM BUCK delivered in Moscow on the occasion of the 40th Anniversary of the Soviet Union was transmitted to the Bureau by New York airtel dated January 10, 1958, captioned, "COMMUNIST PARTY - USA, INTERNATIONAL RELATIONS. INTERNAL SECURITY - C".

12 - Bureau (REGISTERED)

- (1 - 100-3-81) (CP-USA, International Relations)
- (1 - 100-) (Communist Party of Canada)
- (1 - 100-) (Political Matters - China)
- (1 - 100-) (Political Matters - France)
- (1 - 100-) (Political Matters - Russia)
- (1 - 100-) (Political Matters - Yugoslavia)
- (1 - 100-) [redacted]
- (1 - 100-21341) (TIM BUCK)
- (1 - 100-) [redacted]
- (1 - 100-) (LESLIE MORRIS)

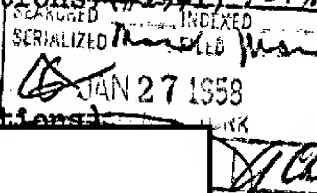
④ - New York (REGISTERED)

- (1 - 65-16441) (SASH) (#6)
- (1 - 134-91) (NY 694-S*) (#6) (P & C) (INFO) (INVS) 65-961-1246
- (1 - 100-86624) (CP-USA, International Relations) (#19.1)
- (1 - 100-8057) (EUGENE DENNIS) (#19.1)

4 - Chicago

- (1 - A/134-46) [redacted]
- (1 - 100-33729) (CP-USA, International Relations)
- (1 - 100-3470) (MORRIS CHILDS)

JEK:kw
(20)



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January 14, 1958

Time, Type and Place of Meeting

On Tuesday afternoon, January 7, 1958, there was a meeting in the headquarters of the Labor Progressive Party of Canada, located at 24 Cecil Street, Toronto. This meeting was primarily between [redacted] member of the Secretariat of the Labor Progressive Party, and MORRIS CHILDS, representing the Communist Party - USA. At this time, [redacted] Labor Progressive Party Organizer for Ontario, and [redacted] in the National Office of the Labor Progressive Party, were also present.

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CHILDS stated that he was proceeding to New York City and wanted to inform the Labor Progressive Party of the possibility that JOHN GATES would resign from the Communist Party - USA so that the news would not come as a shock to them. CHILDS also stated that he wanted to give the Labor Progressive Party the news of the latest developments in the Communist Party - USA. CHILDS also said that he wanted to know when TIM BUCK was expected to return to Canada. [redacted] tried to locate LESLIE MORRIS, member of the Secretariat of the Labor Progressive Party, who lives at 3 Roberts Street, Toronto, but was unable to do so since MORRIS was attending a meeting of a railroad club in the Labor Progressive Party. A message was left with MORRIS' wife to have him proceed to the residence of [redacted] as soon as he returned home.

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Letter From TIM BUCK Written in China

[redacted] and CHILDS proceeded to [redacted] residence. At this time, [redacted] exhibited a letter from TIM BUCK and a copy of a speech that BUCK had delivered in Moscow at the Conference of Communist Parties in Moscow during the celebration of the 40th Anniversary of the Soviet Union. The letter had been written only four or five days previously and had been sent air mail from China. BUCK gave a return address of Post Office Box 509, Peking, People's Republic of China.

BUCK's letter reflected that he had received a personal invitation from MAO-TSE-TUNG to visit China while they were both in Moscow. BUCK said that since he had turned down an invitation to go to China the last time he was in Russia, he could not refuse on this occasion. He said that this is the only way you can show your proletarian internationalism.

BUCK's letter reflected that he has been addressing all kinds of meetings. He has been telling the Chinese about the Capitalist world and has told them that they are not alone in the fight for Socialism. BUCK stated that he is considered an important guest and that in addition to addressing various meetings of factory workers and trade unionists, he has been involved in political meetings with those in leading positions in the Chinese Party.

According to BUCK, the leading members of the Chinese Communist Party explained their economy to him. He said that the Soviet Union, East Germany, Czechoslovakia and other Socialist countries have donated and set up 150 large factories in China. BUCK commented that this gives you an idea of proletarian internationalism and of the solidarity of the Socialist world. He indicated that the Soviet Union did not spare itself when it gave these plants to China. The plants are humming with activity. All of the other People's Democracies have contributed to the economy of China.

Then BUCK wrote that the leaders of the Chinese Communist Party discussed Communist Parties in the Capitalist world with him. They were particularly interested in North America. They asked him a lot of questions, particularly about Canada. He stated that sometimes they would just listen to him, but by the time he was finished they gave him ideas and knew as much about the situation as he did. He indicated that the Chinese are not ignorant of problems in other countries, including those in North America.

Next BUCK indicated that the Chinese talked to him about their rectification campaign. He said that the leadership in China was very much interested in having their rectification campaign, their cleansing and their discussions understood in the Communist Parties in the Western world. He said that the Chinese conducted the greatest cleansing in the history of the world Communist movement. They told him that perhaps their method is not applicable to all countries, but it can be used, since it opened up an approach to "a great airing of views". It is, in their words, a method of bringing out and defining differences of opinion.

Further, this rectification campaign is a method of dealing with incorrigibles. Of course, the incorrigibles are expelled but only as a last resort. Normally they try to avoid

measures of expulsion and force. Expulsion and force are only applied to individuals who they characterize as incorrigibles. BUCK said that he believes that this method the Chinese are using will become an example for other Communist Parties.

BUCK also wrote that in view of his proletarian international responsibilities, he cannot cut his visit short and that he cannot return to Canada before the end of February, 1958. He wrote that it would be impolite to leave China earlier in view of the kind of invitation he received. Also, he knows that he is doing a lot of good by telling the Chinese about the situation in the Western world. In turn, they are giving him a picture of their situation and this will make an understanding of Chinese problems easier in the Western world.

BUCK suggested in the letter that the Labor Progressive Party hold a National Committee meeting without him. He suggested that LESLIE MORRIS should make the main report and that it should deal with some legislative and parliamentary problems. He thought that he would present some views on these matters in subsequent letters.

Discussion Between LESLIE MORRIS,
[redacted] and MORRIS CHILDS

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After LESLIE MORRIS joined [redacted] and CHILDS, the latter was told that about two days previously they had sent a cable to BUCK asking him to return as soon as possible, since they knew that he planned to return to Canada by way of Russia and might make stops in countries in Western Europe. They said that they had cabled BUCK that the membership might become angry because the leader of the Party was absent from the country for so long a period. They reminded him of a resolution which was introduced at the last National Convention. This resolution censures the leadership from absenting itself from the country for long periods of time.

LESLIE MORRIS stated that when he was in China they planned to stay there for a longer period and also planned to travel in Europe. He said that he was in Manchuria when he received a cable telling him of the emergency situation in the Labor Progressive Party. He and the Labor Progressive Party leaders with him returned to Canada immediately. MORRIS said that if BUCK explained to the Chinese the need for him to return to Canada, he could leave immediately.

MORRIS and [] stated that they were waiting for a reply to their cable, since BUCK's letter was written before they sent the cable. If they do not hear from him or if he is not to return until the end of February, 1958, they will proceed with a National Committee meeting.

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Report of [] on the Moscow
Celebration of the 40th Anniversary
of the Soviet Union

MORRIS and [] stated that [] who went to Moscow with TIM BUCK to attend the celebration of the 40th Anniversary of the Soviet Union, has returned to Canada and has given them a preliminary report on what happened in Moscow. They stated, however, that they are not completely satisfied with [] report.

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[] told them that only the People's Democracies were permitted to have more than two official delegates in Moscow. [] stated that there was a lot of discussion in Moscow, as the speech of TIM BUCK indicates. Each delegate was allowed to speak for fifteen minutes, with the exception of MAO-TSE-TUNG, who spoke for one and one half hours and then made a long concluding speech. Some of the Russian delegates also spoke longer than fifteen minutes.

[] told them that the declaration of the twelve Communist Parties was discussed by all Communist Parties present. The draft of the declaration was written by MAO-TSE-TUNG. [] The reason for this was to show that it was not an entirely Russian project. The Chinese and Polish Communist Parties were selected because they are not supposed to be as much under the control of the Russians as some of the other Parties and, thus, would have an open mind. [] stated that there was quite a discussion.

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Parenthetically speaking, BUCK's speech indicates that there was a considerable amount of discussion. Normally a spokesman for the Labor Progressive Party would be timid at such a meeting, since the Labor Progressive Party is a small Party and a great distance from the Socialist countries. The larger the Party, the more weight behind what its spokesman has to say. It takes a certain amount of either nerve or opposition or else some kind of a signal in order to talk as BUCK did in his speech. It is noted that BUCK emphasized that it is

necessary to take into consideration that the Communist Parties in the Capitalist countries operate under circumstances which are different from those in the Socialist countries. Thus, some tactical matters have to be stated differently for the Communist Parties in the Capitalist countries. BUCK's speech indicates what the Communist Parties in the Western world would say by way of criticism.

According to MORRIS and [] said that NIKITA KHRUSHCHEV participated in the discussion. KHRUSHCHEV said that the world situation is such that it is possible for the working class, as well as the Socialist countries, to take the offensive; in other words, to begin to attack Capitalism.

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Parenthetically speaking, it should be noted that Communists use the word "offensive" to denote a class struggle. The attack on Capitalism referred to by KHRUSHCHEV does not mean a military attack but a diplomatic offensive in the so-called struggle for peace.

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[] told them that KHRUSHCHEV stated that the situation in regard to the relation of classes has changed because of Capitalist economic difficulties, the strengthening of the Socialist countries and the revolt in the colonial countries. Thus, it is possible for the working people to take the offensive and to fight Capitalism. The working people should not just sit back, but should take offensive action. This action might be in the form of demonstrations, but the expression of this offensive action will vary from country to country.

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[] also told them that KHRUSHCHEV again explained the reasons for the revelations made at the 20th Congress of the Communist Party of the Soviet Union. KHRUSHCHEV said that they had to be made not only as a lesson for the Communist Party of the Soviet Union, but also as a lesson for all other Communist Parties, so that they would not be confronted with the same type of situation which the Communist Party of the Soviet Union faced when STALIN was the leader and the cult of the individual was worshipped.

[] also told them that PALMIRO TOGLIATTI made a speech at this meeting. MORRIS and [] stated that they particularly noted one piece of information [] had given them in regard to TOGLIATTI's speech. TOGLIATTI said that a

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part of the speech he made to the Italian Communist Party Congress last year had been misinterpreted when it was translated. He denied that he had said, as is indicated in the English translation of his speech, that Socialism can be advanced or that it is at all possible without a Marxist-Leninist, vanguard Party.

By way of comment, it should be noted that this is an important statement because the Right wing in the Communist Party - USA, especially JOHN GATES, quoted TOGLIATTI when stating that a Communist Party was not necessary and that another form of organization or association can be substituted for it.

[] also told them there was a scrap between the Canadian Party and the British Party. JOHN WILLIAMSON was not present. The two representatives of the British Communist Party were the Honorary Chairman, HARRY POLLITT, and []

[] said that this disagreement arose because HARRY POLLITT started to speak for all the English speaking Parties and treated the Canadians as though they were an appendage of the British. [] stated that the Canadian representatives said that they had fought out the question of not being a colony a long time ago. [] said that the surprising thing was that some of the other Parties in the Communist world did not understand that the Canadian Party is an independent Party.

[] told them that even in private discussions TIM BUCK was critical of the arrangements for the participation of the Communist Parties in the Western world; however, he emphasized that the Russians, as well as MAO-TSE-TUNG, kept on appealing to the Parties in the Capitalist countries to express themselves on the declaration of the twelve Communist Parties of the Socialist countries. They asked for "criticism". [] said that the twelve Communist Parties signed the declaration because they felt they could sign it without fear of consequences. The other Parties would have to apply it concretely and use tact so that they would not get into trouble. Thus, the other Communist Parties did not sign the declaration mainly for tactical reasons. Therefore, they only signed what can be considered a section of the twelve Party declaration; that is, the statement on peace signed by the sixty-four Communist Parties. This is a universal matter which they could sign without any Party getting into tactical difficulties.

In explaining why the Yugoslavian Party did not sign the declaration of the twelve Communist Parties, [] told them that there was a lot of speculation at the meeting in regard to the depth of the split between the Russians and the Yugoslavs. On one occasion, MIKHAIL SUSLOV took the floor and stated that he was satisfied with the explanation of the Yugoslav Party that it did not sign the declaration of the twelve Communist Parties for tactical reasons. SUSLOV said that he believes that this explanation is valid. SUSLOV further stated that as far as the Soviet Party is concerned they do not hold it against the Yugoslavs for not signing the declaration of the twelve Communist Parties. [] also stated that the Russians put at rest a rumor that TITO did not attend the meeting for political reasons. Those present at the meeting were told that TITO was actually ill and if he were not ill, he would have been present.

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By way of comment, one can speculate about the international politics and the role Yugoslavia plays in relation to the East and the West as a reason for not signing the declaration of the twelve Communist Parties. They did sign the declaration of the twelve Communist Parties and thus placed themselves in the same category as the Communist Parties in the Capitalist countries. Perhaps some Communist Parties were ready to pounce on the Yugoslavs. While there is a split between the Yugoslavs and the Russians, the Russians are not interested in deepening it. The Russians tried to protect the Yugoslav Party. In order to avoid a civil war in the Communist movement, they defended the Yugoslavs and accepted their excuses.

[] also told [] and MORRIS that at one point in the meeting KHRUSHCHEV took the floor and thanked the French Communist Party, in particular, for its stand on the Hungarian revolt. He thanked the French Communist Party for sympathy and understanding regarding the Hungarian situation. The French Party was the only Party in the Capitalist world mentioned by name by KHRUSHCHEV.

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[] stated to [] and MORRIS that MAO-TSE-TUNG was the last speaker at the meeting and his remarks were sort of a summary of the meeting. He stated that the Chinese Communist Party has 11½ million members. He said that they are faced with a number of difficulties because some of their members are new and they have problems. MAO told this conference

that when they formulate policies and they want the Party to accept them, they pursue a policy of persuasion and conviction in China. MAO also stated what TIM BUCK had repeated in his letter -- that is, when the Chinese Party has to take measures against individuals, it does so. However, as a rule, the Chinese Party tries to avoid strong measures and bases itself on persuasion and conviction.

According to [] MAO-TSE-TUNG said that the Chinese are not afraid of difficulties. They think they will surmount their difficulties because they have a good strong neighbor -- the Soviet Union. Then he turned to [] and said: [] I want to remind you that you, too, have a good strong neighbor. Then MAO-TSE-TUNG turned to KHRUSHCHEV, looked at him, and said: You know, if a tree is to blossom, it needs leaves. In order to grow leaves, you have to take care of the tree, you have to water it, etc. This was interpreted to mean that MAO-TSE-TUNG was telling the Russians that they, too, need the tree of Communism -- that is, the other Communist Parties, etc. -- and that they had better be a little careful in their relationships with the other Communist Parties.

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[] and MORRIS related that [] said that everyone at the meeting concluded that the Chinese Party played a most important role at this meeting. The Chinese were the factor which helped to unify all the Parties after the Communist movement had had over a year of difficulties, starting with the revelations at the 20th Congress of the Soviet Communist Party, the Hungarian revolt, and the difficulties in Poland.

In his concluding speech, as well as in the declaration of the twelve Communist Parties, MAO-TSE-TUNG placed emphasis on unity. MAO-TSE-TUNG stated that while the Communist Parties can disagree, they cannot allow the shaking of their unity.

[] also told them that [] played a leading role, since he was the co-author of the declaration of the twelve Communist Parties. [] said that the difficulties in Poland came about as a result of the dogmatist policies pursued by the previous regime in Poland; however, after the reigns were let loose, the imperialists began to put pressure on Poland and the revisionists became bold and complicated the situation in Poland. This is why Poland also believes that it has to pursue a two-fold policy -- that is, a fight against dogmatists and a fight against revisionists. [] said,

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We consider revisionism the main danger because revisionists threaten our social system. Revisionists have lost their belief in Socialism.

[] and MORRIS stated that they hope to get more details and a keener political analysis of the meeting of the Communist Parties in Moscow as soon as TIM BUCK returns to Canada.

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Person in the Soviet Communist Party
Responsible for North American Matters

[] and MORRIS stated that [] told them that OTTO KUUSINEN, a member of the Presidium of the Communist Party of the Soviet Union, is once again responsible for North American matters, particularly the United States.

The Labor Progressive Party

[] and MORRIS then briefly discussed the Labor Progressive Party. They stated that the Labor Progressive Party has not endorsed the declaration of the twelve Communist Parties as yet. They said that they are preparing a draft resolution which will endorse the declaration of the twelve Communist Parties. This draft resolution will be sent to all members of the National Committee prior to the next National Committee meeting, and will probably be adopted by the National Committee.

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[] and MORRIS stated that they were surprised that the Communist Party - USA acted so hastily in regard to the declaration of the twelve Communist Parties, since the Communist Party of the Soviet Union did not pass a resolution endorsing the declaration until December 17, 1957, even though it was one of the twelve Parties signing the declaration. [] and MORRIS commented that it looked as though the Communist Party - USA was trying to beat the Communist Party of the Soviet Union to an endorsement of the declaration of the twelve Communist Parties.

Quebec

CHILDS asked [] and MORRIS if they had held a convention in Quebec. They replied that a convention was held but that they have a real problem in Quebec at this time. [] was sent to Quebec to supervise the convention in behalf

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of the National Committee. A registration was conducted and membership books were issued. A deadline was set for the obtaining of membership books. Only those who had membership books were entitled to participate in the election of a new Provincial Committee; however, the ultra-Left, led by [redacted] found all kinds of technicalities to prevent those who they placed in the category of Right wingers from participating in the convention. So, the Provincial Committee which was elected is completely made up of the Left wing.

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[redacted] and MORRIS stated that when BUCK returns to Canada, they are going to Quebec in order to straighten this situation out because they cannot permit the Left to go too far. They will have to see to it that Quebec obeys the mandate of the National Committee. They also stated that some people were excluded from the Party in Quebec for organizational reasons despite political agreement. Some of these are very good people and this will hurt the Party. They stated that they did not know the current membership in Quebec; however, it was a little over three hundred at the time of the National Convention.

Individuals

Various individuals were then discussed by [redacted] MORRIS and CHILDS.

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JOE SALSBERG

J. B. SALSBERG is selling insurance. He has not published a paper, but has collected between \$2,500 and \$3,000 in order to publish a weekly paper which would present the ideas of SALSBERG's group.

SAM LIPSHITZ

SAM LIPSHITZ ran for office in the council of a Jewish fraternal order. He made an anti-Soviet speech. Although most of the Jewish people are still not satisfied with the explanations by the Russians in regard to the Jewish question in Russia, the speech by LIPSHITZ was so anti-Soviet that he was defeated overwhelmingly. He received only one or two votes while his opponent received 26 or 27 votes. MORRIS and [redacted] commented that while those who follow LIPSHIPZ, including some members of the Labor Progressive Party, may have some grievances

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against the Soviet Union and want some matters pertaining to the Jewish question in Russia clarified, they are not ready to follow anyone who is deliberately anti-Soviet.

CHARLES SIMS

CHARLES SIMS has not joined the opposition or the supporters of SALSBERG. He is working and is politically passive.

[REDACTED] has not resigned from the Labor Progressive Party. He is in Montreal.

[REDACTED] has not resigned from the Labor Progressive Party as yet; however, she is not active in the Labor Progressive Party and is politically passive.

[REDACTED] has resigned from the Labor Progressive Party.

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STEWART SMITH

STEWART SMITH is selling furniture and is doing well financially. He is still working with SALSBERG.

Registration of Labor Progressive
Party Members

LESLIE MORRIS stated that the Labor Progressive Party is carrying on a registration at the present time. He said that members are being registered even if they do not pay back dues. Usually some settlement is made in regard to unpaid dues. MORRIS did not give an estimation of the current membership of the Labor Progressive Party.

4/10
OFFICE MEMORANDUM . UNITED STATES GOVERNMENT

TO : SAC, NEW YORK (100-87211) Date: 1/23/58

FROM : SA [REDACTED]

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SUBJECT: CP, USA - FACTIONALISM
IS-C

Source

NY 694-S*

Reliability

Who has furnished reliable
info. in the past.

Date Received

12/31/57

Agent to whom furnished

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On 12/31/57, NY 694-S* advised that, on
that date, he conferred with WILLIAM WEINSTONE, who
furnished the following information:

At a staff meeting of the New York State
CP to be held on the morning of 12/31/57 there would
be a discussion of [REDACTED] refusal to turn over to,
the NY State CP, \$25,000 which [REDACTED] admits he has

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- 1 - New York (100-9595) (WILL WEINSTONE) (19)
- 1 - New York (100-26603) (CP, USA - DISTRICT 2) (19)
- 1 - New York (100-50983) [REDACTED] (19)
- 1 - New York (100-79967) (BEN DYOSIN) (12-31)
- 1 - New York (100-22066) (BERNARD FRIEDLANDER) (12-10)
- 1 - New York (100-64070) [REDACTED]
- 1 - New York (100-23290) [REDACTED] (12-14)
- 1 - New York (100-24448) [REDACTED] (19)
- 1 - New York (100-17923) (JOHN GATES) (19)
- 1 - New York (100-80641) (CP, USA - ORGANIZATION) (19)
- 1 - New York (100-) (COMMITTEE FOR SOCIALIST UNITY) (7-2)
- ① - New York (134-91) (INVS.) (6)
- 1 - New York (100-87211)

JDW:mmr
(13)

gjk

134-91-1247

SEARCHED	INDEXED
SERIALIZED	FILED
JAN 23 1958	
FBI - NEW YORK	

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b6
b7C

NY 100-87211

been holding as a depository for the New York State CP, and which he will retain for the benefit of his family in the event he is committed to jail.

Also at the aforesaid meeting there would be a discussion of "Brooklyn" BEN DAVIS (BEN DVOSIN), BERNARD FRIEDLANDER, [REDACTED] who "walked out" of the County conventions. These individuals have been active in "pulling out" members of the CP organization and forming their own organization, which now has several hundred members. b6 b7C

This group is using as its guide the British philosopher and economist JOHN STRACHEY. They have an office, but WEINSTONE does not know where it is located. He believes the head of the group is [REDACTED] of JOHN GATES; and that JOHN GATES is fully aware of the activities of this group and eventually will become part of it.

In reply to a question from NY 694-S* concerning the name of the group, WEINSTONE said they probably could call themselves the "Committee for Socialist Unity".

WEINSTONE noted that "Brooklyn" BEN DAVIS (BENJAMIN DVOSIN) has made four trips across the country since he left the Party. WEINSTONE intimated that DAVIS had made these trips in the interest of this dissident group.

The information above has been submitted to the Bureau.

1-27

SAC, NEW YORK (100-54591)

1/24/58

SA [redacted] #6

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b7C

[redacted]
SM-C

Source	NY 694-S* (protect)
Reliability	Who has furnished reliable information in the past.
Date of Activity	1/17/58
Date Received	1/20/58
Received By	SA [redacted]

NY 694-S advised that in a conference with [redacted]

[redacted] of the NY State CP, the latter stated EUGENE DENNIS recently summoned [redacted] to CP Headquarters to question her concerning the \$25,000 in CP funds which her [redacted] is holding and refusing to return to the CP.

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According to [redacted] was the original depository of the aforesaid \$25,000, and gave the said sum of money to her brother.

When questioned by EUGENE DENNIS and "Sid" STEIN about the money, [redacted] told them she would make no attempt to induce [redacted] to return the \$25,000 to the Party-that it would be entirely [redacted] decision whether he should return the money.

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- 1-New York (134-91) (INVS) (6)
- 1-New York (100-8057) (EUGENE DENNIS) (19)
- 1-New York (100-50983) [redacted] (19)
- 1-New York (100-50090) (SIDNEY STEINBERG) (19-A)
- 1-New York (100-467) [redacted] (19)
- 1-New York (100-74560) (CPUSA Funds) (19)
- 1-New York (100-54591)

ACB:img
(7)

134-91-1248

SEARCHED	INDEXED
SERIALIZED	FILED
JAN 24 1958	
NEW YORK	

703

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1-29

SAC, NEW YORK (100-111203)

1/27/58

SA [redacted]

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b7C

[redacted]
IS-C

Source
Reliability

NY 694-S* (protect)
Who has furnished reliable
information in the past.

Date of Activity

1/16/58

Date Received

1/17/58

Received By

SA [redacted]

NY 694-S* advised that according to [redacted] who is
active in the CP Reserve Fund operation, [redacted] was present when
[redacted] recently gave a sum of money (amount not disclosed)
to ISIDORE WOFSY, CP "financial man", also active in the CP Reserve
Fund operation. What the nature of the aforesaid transaction was
[redacted] did not state.

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- 1 - New York (100-19679) (ISIDORE WOFSY) (19)
- 1 - New York (100-21785) [redacted] (6)
- ① - New York (134-91) (INVELS) (6)
- 1 - New York (100-128861) (CPUSA Funds Reserve Fund)
- 1 - New York (100-111203)

ACB:kto
(5)

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134-91-1249

SEARCHED	INDEXED
SERIALIZED	FILED
JAN 27 1958	
FBI-NEW YORK	

[redacted]

2/10

OFFICE MEMORANDUM UNITED STATES GOVERNMENT

TO : SAC, NEW YORK (105-22799)

DATE: 1/29/58

FROM : SA [REDACTED]

b6
b7C

SUBJECT: MORRIS COHON AND COMPANY
MISC. - INFO CONCERNING
(ESPIONAGE)

Source [REDACTED]

Reliability

Who has furnished reliable
information in the past.

Date of Activity

1/6/58

Date Received

1/6/58

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Informant learned that [REDACTED]
[REDACTED] took a test for a federal job as a promotionist and
that he had received word that he passed with an 85. Informant
advised that [REDACTED] was waiting to hear when something
would be available. [REDACTED] is employed [REDACTED]
[REDACTED] at Morris Cohon and Co.

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A [REDACTED] desired to contact HARRY MAGDOFF.
Informant ascertained that [REDACTED] telephone number was
[REDACTED]

- 1 - New York (100-96155) (HARRY MAGDOFF) (6)
- 1 - New York (100-65951) [REDACTED] (7-4)
- 1 - New York (100-108801) [REDACTED] (12-15)
- ① - New York (134-91) (Inves.) [REDACTED]
- 1 - New York (100-115011) [REDACTED] (12-16)
- 1 - New York (100-9521) [REDACTED] (6)
- 1 - New York (100-25780) [REDACTED] (12-16)
- 1 - New York (100-81860) [REDACTED] (12-16)
- 1 - New York (100-133775) (Fund for Social Studies) (7-2)
- 1 - New York (100-107419) (EGLC) (7-2)
- 1 - New York (100-21785) [REDACTED] (6)
- 1 - New York (100-14541) (BEN GOLD) (7-1)
- 1 - New York (100-8599) (LEO HUBERMAN) (12-14)
- 1 - New York (105-22799)

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CHM:kto
(14)

12/1

134-91-1250

SEARCHED	INDEXED
SERIALIZED	FILED
JAN 29 1958	

6

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NY 105-22799

Informant advised that a [redacted] (Ph) of Battery Realty Company, 26 Broadway, NYC, informed [redacted] of Morris Cohon and Co., that there was two thousand feet of office space in two places, one at 42 Broadway on the 11th floor, and one at 26 Broadway on the 8th floor. Informant advised that [redacted] planned to look at both places on 1/7/58.

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Informant advised that an unidentified woman (possibly [redacted]) contacted HARRY MAGDOFF who informed her that "the fund" (Fund for Social Studies) was coming along very nicely and added that a meeting was scheduled to be held on Thursday (1/9/58). MAGDOFF informed the woman that he wanted to contact [redacted] (probably [redacted]) to tell him about the meeting. MAGDOFF asked the woman if there was any chance that she could come into town (to attend meeting). The woman expressed doubt that she would be able to do so but suggested that MAGDOFF drop a note to [redacted] to invite her, [redacted] to the meeting. The woman suggested that MAGDOFF tell [redacted] that he was hoping she, unknown woman, would also be present. MAGDOFF promised that he would send the woman another statement of the program which he had drafted.

Informant advised that MAGDOFF and [redacted] discussed stocks Morris Cohon and Company was holding for him, [redacted] and dividend checks he had received from the stocks. [redacted] informed MAGDOFF that he would send the checks to [redacted] stated that he planned to attend the meeting on Thursday night.

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JACK CHILDS contacted MAGDOFF and joked about whether MAGDOFF remembered him. MAGDOFF remembered CHILDS and described him as a friend of [redacted] Informant advised

NY 105-22799

that CHILDS wanted to discuss insurance with MAGDOFF and that MAGDOFF appeared willing. CHILDS also asked MAGDOFF about Missouri Research as he bought one hundred shares for each of his children.

Informant advised that [redacted] of Morris Cohen and Company and [redacted] (Ph) discussed [redacted] holdings. Informant added that [redacted] desired to contact [redacted] and that [redacted] gave [redacted] home telephone number.

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Informant advised that [redacted] and an unknown man (possibly CORLISS LAMONT) discussed the possibility of having CLARK (FOREMAN) leave the committee (ECLC). [redacted] stated that he had always told CLARK that he thought it was the best thing, that CLARK should leave the committee, but he did not know what other people's notions were and did not want any internal fight to hamper the committee's function for this year when five or six major cases were before the Court.

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Unknown man informed [redacted] that as far as finances, all the money he, unknown man, would be responsible for would be provisional. Unknown man stated that he did not feel responsible for underwriting severance pay in the amount of \$2,000.00.

HARRY MAGDOFF informed an individual named LEO (possibly LEO HUBERMAN) that he had been over to LEO'S office last week, but that LEO was out. MAGDOFF said he had lunch with [redacted] and that they were "upstairs" on the floor above LEO. MAGDOFF stated that they came down to LEO'S office because [redacted] was going to get a book for him.

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NY 105-22799

MAGDOFF said that [] told him that [] was in town and was sure he, MAGDOFF, wanted to say hello to him. Informant advised that MAGDOFF was surprised that [] knew he knew []. MAGDOFF related that he went downstairs and spoke to [] and arranged to have breakfast with him at a later date. MAGDOFF added that on the way down to see [] BEN GOLD walks out and introduced "young ROSENBERG" to him and that he arranged to have lunch with ROSENBERG at a later date. LEO stated that he calls ROSENBERG, "Fighting BOB". MAGDOFF stated that he also saw [] at his desk.

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MAGDOFF asked LEO to tell LOU (LNU) about the meeting Thursday (1/9/58). LEO said he would and that he would also call his brother about the meeting. MAGDOFF informed LEO that LOU was going to remind his boss to have a meeting with some editors and that they were going to set up a luncheon for him, MAGDOFF.

2/14

OFFICE MEMORANDUM

UNITED STATES GOVERNMENT

TO : SAC, CHICAGO (100-18001)
FROM : SAC, NEW YORK (100-89816)
SUBJECT: FRED FINE
IS C; SA-40; ISA-50

DATE: 2/10/58

Source NY 694-S* (Conceal and
carefully paraphrase)
Reliability Who has furnished reliable
information in the past
Date Received 1/22/58
Agent to whom
furnished SA [REDACTED]

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- 2 - Chicago (100-18001) (RM) of CALIF.)
1 - Los Angeles (100-) (CP, USA Southern Dist.) (RM)
1 - Boston (100-) (CP, USA New England Dist.) (RM)
1 - San Francisco (100-) (CP, USA Northern Dist.) (RM)
13- New York (100-89816)
1 - (100-13923) [REDACTED] (19)
1 - (100-16785) (JAMES JACKSON) (19)
1 - (100-13473) (SI GERSON) (19)
1 - (100-) (ERIC BERT)
1 - (100-9352) (ABE MAGIL) (12-16)
1 - (100-13203) [REDACTED] (7-2)
1 - (100-1696) (ELIZABETH GURLEY FLYNN) (19)
1 - (100-87211) (CP, USA Factionalism) (19)
1 - (100-26603) (CP, USA New York District) (19)
1 - (100-26603 C 43) (CP, USA Kings Co.) (12-11)
1 - (100-50090) (SID STEIN) (19)
① (134-91) (Inves) (6)

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JDW:ecb

88K

134-91-1251

NY 100-

In a conference with NY 694 S* on 1/21/58,
[redacted] at the CP National
Office, advised the informant as follows:

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To date, a poll of National Committee (NC) members regarding a preferred date for the next NC meeting reflects that half of the NC members prefer that a National Executive Committee (NEC) meeting be held before an NC meeting is held, which in effect would make it impossible to hold an NC meeting before early March. The other half of the NC membership favor holding an NC meeting as soon as possible, preferably in early February, and are inclined to prefer that no NEC meeting be held at this time. As a group, the "right faction" favors the postponement of the NC meeting be held as soon as possible.

In an attempt to gain control of the Party for their respective factions, JAMES JACKSON, of the "Left", and FRED FINE of the "Right", are caucusing on the West Coast. FINE's pretended reason for being there is to attend four trade union conferences. [redacted] noted that JACKSON's trip was not being financed by the National office).

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[redacted] further stated that the California CP is the "key factor" in the present inter-Party controversy. California's registration is good as compared with the New York registration, which is "miserable". As an example of how "miserable" the New York registration is, the Brooklyn CP registration should be noted. Only 175 people were registered to date. Despite that small number, the Brooklyn CP organization has five people on their payroll.

NY 100-

"SID" STEIN has in mind the following organizational changes, and he eventually will suggest them to the Party: (1) the National office "top leadership" should consist of no more than three people; (2) leadership should include "only persons who have not served on the Secretariat or on the National Committee" (3) the number of people on the National Committee should be commensurate with Party membership figures. To continue to have a National Committee of 60 people is "ridiculous".

With regard to the "Worker", STEIN will propose that SI GERSON be executive editor, ERIC BURT managing editor, [REDACTED] and ABE MAGIL and ELIZABETH GURLEY FLYNN members of the editorial board.

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SAC, NEW YORK (100-78633)

2/11/58

SA CHARLES TRAVELSTEAD

ISIDORE GIBBY NEEDLEMAN, was
IS - R
ISA-1950

Source:

Reliability:

[redacted]
Who has furnished
reliable information
in the past.

Date of Activity:

2/1/58

Date Received:

2/5/58

Informant learned that [redacted] picked up
from NEEDLEMAN the lease for Wingdale Lodge which [redacted]
has signed.

[redacted] consulted NEEDLEMAN on a matter the
nature of which informant was unable to determine. Informant
was able to supply only very fragmentary portions of their
conversation as follows:

[redacted] They don't know. They don't know
what I'd take.

NEEDLEMAN (N): That's a reasonable offer. Did they
accept it?

[redacted] No, so I suggest that you call him up and make
a date.

N: Why can't what's his name-

1-New York (100-58751) [redacted] (12-15)
1-New York (100-80602) [redacted] (12-13)
1-New York (100-9725) (WINGDALE LODGE) (1-4)
1-New York (100-21785) [redacted] (6)
1-New York (134-91) (6) (UNPES)
1-New York (100-96778) (FRANK COE) (6)
1-New York (100-118948) [redacted] (6)
1-New York (100-78633)

CHT:MMH
(3)

134-91-1252
[redacted] 905

NY 100-78633

☐ JACK?

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H: No, I hadn't thought of JACK but FRANK (COE?) write him and say he is writing at the suggestion of MR. NEEDLEMAN or that he is writing at the suggestion of MR. CHILDS. Make it a regular-why this indirect way? Why should I get involved in it when I don't know anything about it? It's ridiculous. The perfectly natural way is for him to write and say 'I am writing you at the suggestion of' and then put the proposition to him. I have no objection to his using my name. If it's worthwhile all right. If not, tell him there is not enough involved in it to mess with it."

☐ discussed with NEEDLEMAN their joint savings account but the bank was not mentioned. They then discussed general matters such as financial difficulties of Nassau Management, NEEDLEMAN'S father's condition and his ☐ At one point NEEDLEMAN remarked, "I thought maybe you had another letter," to which ☐ replied in the negative.

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Sum

BAC

D E C O D E

URGENT 2-14-58 2-33 PM MB

TO SAC NEW YORK

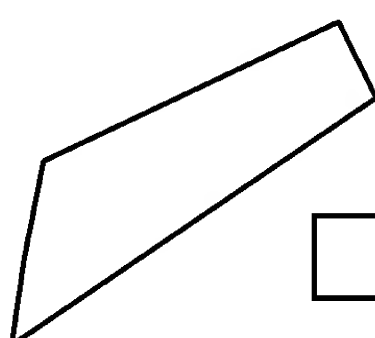
FROM SAC CHICAGO 141910 GR 56

NY SIX NINE FOUR S. NY ADVISE NY SIX NINE FOUR S THAT TWO COPIES OF
DRAFT PROGRAM LLP RECEIVED IN CHICAGO FOUR CG FIVE EIGHT TWO FOUR S
FEBRUARY FOURTEEN INSTANT HAVE BEEN AIR MAILED TO OFFICE OF NY SIX
NINE FOUR S.

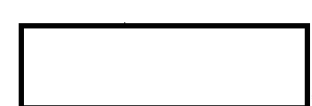
END AND ACK PLS

OK FBI NY JLW

DECODED MTR



(INVEST)
134-91-1253



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2/15/58

TELETYPE

CODE URGENT

TO: DIRECTOR, FBI, AND SAC, CHICAGO
FROM: SAC, NEW YORK (100-86624)
SUBJECT: CP, USA, INTERNATIONAL RELATIONS, IS-C

DUE TO THE NATURE OF THE FOLLOWING INFORMATION, THE FACT THAT THE SECURITY OF TWO HIGHLY PLACED INFORMANTS IS INVOLVED, AND THEIR FUTURE OPERATIONS MAY BE AFFECTED, IT IS RECOMMENDED THAT THIS INFORMATION NOT BE DISSEMINATED OUTSIDE OF THE BUREAU AT THIS TIME. THIS INFORMATION WAS FURNISHED BY CG FIVE EIGHT TWO FOUR DASH S ASTERISK, AND ADDITIONAL INFORMATION WILL BE RECEIVED FROM NEW YORK SIX NINE FOUR DASH S ASTERISK ON FEBRUARY FIFTEEN, INSTANT. ON FEBRUARY FOURTEEN, LAST, ELIZABETH MASCOLO APPEARED AT THE NEW YORK OFFICE OF NEW YORK SIX NINE FOUR DASH S ASTERISK. SHE STATED THAT TIM DUCK, HEAD OF LPP OF CANADA, HAD RETURNED TO CANADA FROM RUSSIA AND CHINA ON FEBRUARY THIRTEEN, LAST. HE URGED HER TO GO TO NEW YORK CITY IMMEDIATELY AND DELIVER MESSAGES

2 - Chicago
1 - New York (134-91) (NY 694-S*)(INVEST)

JK:par
(5)

Photographic Work
Completed on 2-24-58
By Photo Lab. N. Y. Field Division

134-91-1254
SEARCHED INDEXED
SERIALIZED FILED

1 [redacted] #19, Supervisor [redacted]

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IN PERSON TO EUGENE DENNIS, WILLIAM Z. FOSTER, AND ALEXANDER TRACHTENBERG. BUCK SAID THIS INFORMATION MIGHT ASSIST DENNIS DURING THE INTERNATIONAL COMMITTEE MEETING WHICH BUCK THOUGHT WAS BEING HELD THE WEEKEND OF FEBRUARY TWENTY-TWO, TWENTY-THREE, INSTANT. OG FIVE EIGHT TWO FOUR DASH S ASTERISK WAS CALLED TO THE OFFICE OF THE NEW YORK INFORMANT AND SUBSEQUENTLY CONTACTED DENNIS WHO WAS ATTENDING A MEETING OF THE NEC. DENNIS REFUSED TO LEAVE THE NEC MEETING TO MEET WITH MASCOLO AND URGED THE CHICAGO INFORMANT TO REPRESENT HIM. INFORMANT IS OF THE OPINION DENNIS WOULD NOT HAVE MET DIRECTLY WITH MASCOLO UNDER ANY CIRCUMSTANCES. MASCOLO, AFTER SOME DELIBERATION, FINALLY AGREED TO GIVE THE INFORMATION INTENDED FOR DENNIS TO THE CHICAGO INFORMANT FOR DELIVERY TO DENNIS. AS OF THE MORNING OF FEBRUARY FIFTEEN, INSTANT, DENNIS WAS STILL NOT IN POSSESSION OF THIS INFORMATION. MASCOLO SAID THAT BUCK'S MESSAGE TO DENNIS WAS THAT THE CENTRAL COMMITTEE OF THE CPSU WILCOMES THE PROPOSAL THAT A REPRESENTATIVE OF THE CPUSA COME TO MOSCOW. MASCOLO SAID THAT THIS MEANS THAT MORRIS CHILDS AND ANYONE ELSE SELECTED BY DENNIS SHOULD COME TO MOSCOW. THE AMERICAN SECTION OF THE CCCPSU WAS HAPPY TO LEARN ABOUT THIS PROPOSAL AND URGED THAT IT

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BE CARRIED THROUGH AS SOON AS POSSIBLE. ARRANGEMENTS FOR TRAVEL SHOULD BE HANDLED IN THE USA WITH AMERICAN PAPERS, IF POSSIBLE. IF THIS IS NOT POSSIBLE, THE BRAZILIAN CP WILL GIVE SOME ASSISTANCE. BUCK SHOULD BE CONTACTED IF IT IS NECESSARY TO UTILIZE THE BRAZILIAN CP. FURTHER, MOSCOW WOULD LIKE TO HAVE TWO SETS OF ALL MATERIAL PERTAINING TO THE PROCEEDINGS OF THE CURRENT MEETING OF THE NATIONAL COMMITTEE OF THE CPUSA. EVEN IF THESE DOCUMENTS ARE INCOMPLETE, THEY SHOULD BE SENT VIA TIM BUCK AND LATER OTHER DOCUMENTS SHOULD FOLLOW. FURTHER, THE CP OF CHINA WANTS A QUOTE "ACTIVE RELATIONSHIP" END QUOTE DIRECTLY WITH THE CPUSA THROUGH DENNIS. FURTHER, DENNIS SHOULD BE TOLD THAT THE FUTURE OF WILLIAM Z. FOSTER WAS DISCUSSED BY BUCK WITH THE HIGHEST AUTHORITIES IN MOSCOW. FOSTER WILL BE WELCOMED IF HE COMES TO RUSSIA FOR TREATMENT OR TO LIVE. HIS FAMILY WOULD ALSO BE WELCOME, AND IT IS FELT THAT IT WOULD BE GOOD FOR HIS GRAND-DAUGHTER IN RUSSIA FOR FOSTER AND HIS FAMILY TO COME TO RUSSIA. MASCOLO ALSO TOLD THE INFORMANT TO TELL DENNIS THAT BUCK HAD SEEN HIS SON TIM, TIM [REDACTED] AND THEIR CHILD. TIM HAS

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WRITTEN A THESIS FOR A PHD, AND BUCK CARRIED THE THESIS WITH HIM TO ENGLAND AND MAILED IT FROM THERE TO CANADA. THU AND WANT AN ADDRESS TO WHICH THEY CAN SEND THE LETTERS TO EUGENE AND PEGGY DENNIS. DENNIS IS ALSO TO BE TOLD THAT LEADING COMRADES OF THE CPSU WOULD LIKE TO SEE MORE MATERIAL ON THE SOVIET UNION PRINTED IN THE CPUS PRESS, PARTICULARLY QUOTE THE WORKER END QUOTE. ARRANGEMENTS WILL BE MADE TO SUPPLY QUOTE THE WORKER END QUOTE, WITH A DAILY PRESS SERVICE FROM MOSCOW. THIS OVERSEAS PRESS SERVICE WILL COME TO CANADA AND WILL BE MAILED FROM THERE. BUCK WANTS TO KNOW IF THIS SERVICE SHOULD BE MAILED DIRECTLY TO THE OFFICE OF QUOTE THE WORKER END QUOTE, OR TO SOME OTHER ADDRESS. THE RUSSIANS WOULD ALSO LIKE TO HAVE A CORRESPONDENT OF QUOTE THE WORKER END QUOTE STATIONED IN MOSCOW. IF THIS CORRESPONDENT IS QUOTE POLITICALLY END QUOTE QUALIFIED, HE CAN BE A REPRESENTATIVE OF THE CPUSA IN MOSCOW. IF THIS IS NOT EXPEDIENT AT THIS TIME, THE CPUSA SHOULD NOT BE WORRIED ABOUT IT. MEANWHILE, THE QUOTE CANADIAN TRIBUNE END QUOTE WILL SEND A CORRESPONDENT TO MOSCOW, AND HE WILL REPRESENTATIVE THE CPUS PRESS FROM A NEW POINT OF VIEW. HE WILL RECEIVE ASSISTANCE FROM THE AMERICAN SECTION OF THE FOREIGN DEPARTMENT OF THE CCPSU. THE AMERICAN SECTION OF THE

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CCCPSU WOULD LIKE TO GET TWO COPIES OF ALL CPUSA MATERIAL AND WOULD ALSO LIKE THE CPUSA TO ESTABLISH RELATIONSHIPS WITH THE CP OF CANADA. THE AMERICAN SECTION OF THE CCCPSU ALSO WANTS LABOR AND ECONOMIC FACTS CONCERNING THE US. THE CP OF CHINA IS ALSO ANXIOUS TO OBTAIN SIMILAR MATERIAL. IF DENNIS WANTS TO PERSONALLY WRITE TO BUCK, HE SHOULD SEND A LETTER TO [REDACTED]

[REDACTED] IF HE WANTS TO WRITE TO THE CP OF CHINA, THE ADDRESS IS [REDACTED]

[REDACTED] GO FIVE RIGHT TWO FOUR DASH S ASTERISK COMMENTED THAT THIS MESSAGE IS A RECOGNITION OF THE CPSU THAT DENNIS IS THE LEADER OF THE CPUSA. MASSOLO ALSO MET WITH TEUCHTENBERG ON FEBRUARY FOURTEEN, LAST, IN THE PRESENCE OF NEW YORK INFORMANT, AND THE NEW YORK INFORMANT WAS TO ACCOMPANY HER TO THE RESIDENCE OF FOSTER ON THE MORNING OF FEBRUARY ¹⁵ ~~14~~, INSTANT. ADDITIONAL DETAILS WILL BE OBTAINED FROM NEW YORK SIX NINE FOUR DASH S ASTERISK ON FEBRUARY ¹⁵ ~~14~~, INSTANT, AND THE BUREAU ADVISED. IT IS URGED THAT UTMOST CARE BE USED IN HANDLING THIS VERY DELICATE INFORMATION.

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TELETYPE

URGENT

CODE

TO: DIRECTOR, FBI TIME: 11:45 am
FROM: SAC, NEW YORK (100-86624)
SUBJECT: CPUSA INTERNATIONAL RELATIONS, IS-C
RE NEW YORK ~~TEL~~ TELETYPE FEBRUARY FIFTEEN, LAST, CONCERNING
A VISIT OF ELIZABETH MASCOLO TO NEW YORK CITY. NEW
YORK SIX NINE FOUR DASH S ASTERISK ORALLY FURNISHED
THE FOLLOWING INFORMATION TO SA JOHN E. KEATING ON
FEBRUARY FIFTEEN, LAST. IT IS SUGGESTED THAT UTMOST
CAUTION BE USED IN HANDLING THIS INFORMATION TO PROTECT
THE SECURITY AND FUTURE OPERATIONS OF TWO HIGHLY PLACED
INFORMANTS. THE NEW YORK INFORMANT ACCOMPANIED ELIZABETH
MASCOLO TO THE RESIDENCE OF WILLIAM Z. FOSTER ON FEBRUARY
FIFTEEN, LAST. SINCE MASCOLO HAD STATED THAT SHE HAD TO
DELIVER A MESSAGE FROM TIM BUCK TO FOSTER IN PERSON, AND
THIS WAS HER FIRST VISIT TO THE FOSTER RESIDENCE, THE

- 1 - Chicago (100-) (AMRM)
1 - New York (134-91) (NY 694-S) (INVEST)

JK:par
(5)

1 - Supervisor [REDACTED] #19

1 Photostat
for 65-16441
2/28/58
OSB

Photographic Work
Completed on 2-28-58
By [REDACTED] N.Y. Field Division

134-91-1255
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SERIAL FILED

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INFORMANT PURPOSELY REMAINED OUT OF THE BEDROOM WHILE SHE TALKED WITH FOSTER. THEIR DISCUSSION WAS INTERRUPTED WHEN THE ATTENDANT ARRIVED FOR ONE HOUR OF THERAPEUTIC TREATMENT. IN ALL, MASCOLO TALKED WITH FOSTER FOR ABOUT THIRTY ~~MIN~~ FIVE MINUTES. INFORMANT WAS ABLE TO GLANCE AT THE NOTES MASCOLO HAD PREPARED FOR THIS DISCUSSION. SHE SUBSEQUENTLY DISPOSED OF THESE NOTES IN A TOILET. THE NOTES INDICATED COLON ONE. THAT THE R.P. WAS VERY ANXIOUS FOR BILL AND HIS FAMILY TO GO TO N. WHATEVER RESOURCES AND TECHNIQUES THEY HAVE AT THEIR DISPOSAL WILL BE MADE AVAILABLE TO HIM. INFORMANT INTERPRETED R.P. TO MEAN THE RUSSIAN PARTY OR THE CPSU. TWO. AUTHORIZATION. THREE. URGENT THAT ALL OF HIS ARTICLES AND WRITINGS BE SENT TO THEM. FOUR. CHINESE PARTY URGENTLY REQUESTS FROM HIM TWO COPIES OF BITTELMAN'S LATEST ARTICLE AND FOSTER'S ANSWERS TO BITTELMAN. ALSO TWO COPIES OF CONTROVERSIAL ARTICLES BY THE RIGHT WING AND ANY ANSWERS BY FOSTER TO THESE ARTICLES. IN REGARD TO ITEM TWO CONCERNING AN AUTHORIZATION, THE INFORMANT ADVISED THAT BECAUSE FOSTER'S FAMILY WAS WORRIED THAT A LENGTHY DISCUSSION MIGHT AFFECT HIM, THE INFORMANT WENT

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INTO THE BEDROOM TO EXPEDITE THE DISCUSSION. AS MASCOLO
LEFT FOSTER, HE TOLD HER THAT HE AGREED TO THE AUTHORIZATION
AND HIS WIFE WOULD SIGN IT. MASCOLO THEN WENT INTO THE
KITCHEN AND DICTATED THE FOLLOWING TO SYLVIA KOLKO,
FOSTER'S DAUGHTER COLON QUOTE FEBRUARY FIFTEEN, ^{NINETEEN FIFTY EIGHT} ~~FOURTEEN~~
ON ^{BEHALF} ~~BEHALF~~ OF WILLIAM FOSTER, I AUTHORIZE THE INSTITUTE OF
LITERATURE AND PUBLICATION TO MAKE WHATEVER EDITORIAL
CHANGES ARE NECESSARY. END QUOTE. ESTHER FOSTER
SIGNED THIS AUTHORIZATION. IT WAS GIVEN TO THE NEW
YORK INFORMANT TO BE MAILED TO TIM BUCK BY SENDING IT
TO [REDACTED]

[REDACTED] MASCOLO TOLD THE INFORMANT THIS AUTHORIZATION
PERTAINED TO FOSTER'S LATEST BOOK. INFORMANT IS OF THE
OPINION THIS MAY BE QUOTE THE HISTORY OF THE THREE
INTERNATIONALS END QUOTE. THE RUSSIANS ARE TRANSLATING
THIS BOOK INTO RUSSIAN AND WANTED AUTHORITY TO MODIFY OR
DELETE CERTAIN CRITICISMS OF TITO BY FOSTER. MASCOLO
ALSO TOLD THE INFORMANT THAT DURING THE LAST TEN MINUTES
OF HER CONVERSATION WITH FOSTER, HE WAS GIVING HER A
PICTURE OF THE SITUATION IN THE CPUSA FOR DELIVERY TO

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BUCK. WHILE IN THE KITCHEN, SYLVIA KOLKO SAID TO MASCOLO THAT IT WOULD BE WONDERFUL FOR FOSTER TO GO THERE, THAT IS TO RUSSIA. MASCOLO REPLIED QUOTE ~~THAT IS~~ WHAT I SPOKE TO [] ABOUT. IN FACT THEY WOULD WANT THE WHOLE FAMILY TO GO THERE END QUOTE. MASCOLO SAID THAT THEY ARE VERY ANXIOUS FOR [] TO GET THERE FOR THEY ARE SURE THAT THEY WOULD BE ABLE TO HELP HIM ALTHOUGH THEY CANNOT GUARANTEE A COMPLETE CURE. INFORMANT ADVISED THAT THEY, REFERS TO THE RUSSIANS. INFORMANT THEN ASKED IF [] WANTS TO GO TO RUSSIA. MASCOLO SAID THAT FOSTER WANTS VERY MUCH TO GO TO RUSSIA ^{BUT} ~~AND~~ SAID THAT UNDER NO CIRCUMSTANCES WOULD HE STATE IN A PASSPORT APPLICATION THAT HE WAS NOT AND IS NOT A COMMUNIST PARTY MEMBER. SYLVIA SAID THAT THERE ARE A LOT OF HEALTH AND TECHNICAL PROBLEMS INVOLVED IN SUCH A TRIP. SYLVIA FURTHER STATED THAT FOSTER'S PHYSICIANS ARE WORKING ON AND NEXT WEEK WILL SUBMIT TO THE UNITED STATES GOVERNMENT, A MEDICAL REPORT ON FOSTER. THE PURPOSE OF THIS IS TO PAVE THE WAY FOR A TRIP TO RUSSIA BY FOSTER. SHE SAID HIS PHYSICIANS ARE VERY MUCH IN FAVOR OF SUCH A TRIP. BEFORE MASCOLO LEFT FOSTER'S RESIDENCE, FOSTER TOLD HER TO BE SURE TO GET WORD TO

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EUGENE DENNIS THAT THE RUSSIANS WANT FOSTER IN RUSSIA. MASCOLO SAID THAT SOME OTHER PERSON WAS TAKING CARE OF THIS. INFORMANT COMMENTED THAT THE LAST TIME MASCOLO WAS IN NEW YORK CITY, SHE HAD A MESSAGE FROM BUCK WHILE HE WAS IN MOSCOW. THIS MESSAGE WAS TO BE DELIVERED TO FOSTER AND IT WAS/THAT THE ANSWER WAS QUOTE EMPHATICALLY YES END QUOTE. INFORMANT IS NOW OF THE OPINION THAT FOSTER HAD REQUESTED BUCK TO DETERMINE IF FOSTER COULD GO TO RUSSIA AND THIS WAS THE ANSWER FROM THE RUSSIANS. MASCOLO ALSO TOLD SYLVIA THAT BUCK HAD SAID THAT HE TRIED TO SEE SYLVIA [REDACTED] IN MOSCOW. DESPITE EFFORTS OF THE CENTRAL COMMITTEE OF THE CPSU, [REDACTED] COULD NOT BE PERSUADED TO SEE BUCK. SHE HAS A MENTAL QUIRK IN THIS REGARD BUT IN GENERAL IS ALL RIGHT. INFORMANT ADVISED THAT WHILE THE ATTENDANT WAS PRESENT, FOSTER, WITH THE HELP OF THE ATTENDANT AND A CANE, WALKED TO THE LIVING ROOM. HIS LEFT HAND IS BEGINNING TO RETURN TO NORMAL BUT IS STILL DEFORMED. HE HAS A SLIGHT DEFECT IN THE LEFT SIDE OF HIS FACE AND LOWER LIP, BUT IT DOES NOT AFFECT HIS SPEECH. HE SEES DENNIS, DAVIS AND ELIZABETH GURLEY FLYNN FROM TIME TO

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TIME. JACK SHULMAN TAKES DICTATION FROM HIM. HE HAS COMPLETED AN ARTICLE WHICH WILL APPEAR IN QUOTE POLITICAL AFFAIRS END QUOTE. IN A MOMENT OF WEAKNESS, HE CONSENTED TO LET SHULMAN INDICATE THAT HE IS THE CO-AUTHOR OF THE ARTICLE ALTHOUGH HE ONLY TOOK DICTATION FROM FOSTER, ^{who} ~~HE~~ NOW REGRETS GIVING SHULMAN THIS PERMISSION. SYLVIA TOLD INFORMANT THAT SHE AND HER FAMILY, INCLUDING FOSTER TO SOME EXTENT, DO NOT LIKE AND DO NOT TRUST SHULMAN. SHE SAID HE IS A VERY TALKATIVE AND VERY AMBITIOUS PERSON. HE TAKES TOO MUCH INTEREST IN WHAT IS GOING ON IN THE FOSTER RESIDENCE. WITH CYNICISM, SYLVIA REFERRED TO SHULMAN AS QUOTE THE PROFESSOR END QUOTE, AND SAID THAT BEING ASSOCIATED WITH FOSTER HAS GONE TO HIS HEAD. HE IS NOT POLITICALLY ASTUTE. SYLVIA SAID THAT THEY WOULD NOT TELL SHULMAN ABOUT THIS VISIT AND THAT SHULMAN DOES NOT KNOW THAT FOSTER AND HIS FAMILY WANT TO GO TO RUSSIA. WHILE THE ATTENDANT WAS PRESENT, INFORMANT ASKED MASCOLO IF BUCK HAD SAID ANYTHING ABOUT CHINA. SHE REPLIED THAT SHE HAD LITTLE TIME TO CONVERSE WITH HIM, HOWEVER, SHE SAID THAT CHOU EN LAI HAD BEEN STABBED. THE WOUND WAS NOT SERIOUS AND HE IS WELL. THE WEAPON USED WAS A PANKNIFE. SINCE THIS INCIDENT, SECURITY

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PRECAUTIONS FOR LEADING PARTY MEMBERS HAVE BEEN TIGHTENED. FOR EXAMPLE, BUCK HAS A BODYGUARD AT ALL TIMES. ALTHOUGH HE PROTESTED, HE WAS TOLD THAT THE CITIES ARE VERY CROWDED AND THEY WOULD NOT TAKE THE RESPONSIBILITY

FOR ANYTHING HAPPENING TO HIM WHILE HE WAS IN CHINA.

HE WAS PARTICULARLY INSTRUCTED CONCERNING WALKING THE CITY STREETS AT NIGHT, IN OTHER WORDS, THIS WAS FORBIDDEN. SHE STATED BUCK SAID MAO TSE TUNG TOOK A PERSONAL INTEREST IN HIS COMFORTS AND SENT HIM A COMPLETE WARDROBE, BEFITTING HIS STATION IN LIFE AND THE CLIMATE, TO BE WORN WHILE HE WAS IN CHINA. THE POLITBURO OF THE CP OF CHINA HONORED HIM WITH A BIRTHDAY PARTY AT THE HOME OF CHU TEN. INFORMANT FURTHER ADVISED THAT HE ARRANGED WITH FOSTER TO HAVE ALL DOCUMENTS FOSTER WANTS TO SEND TO RUSSIA TRANSMITTED THROUGH THE INFORMANT FOR DELIVERY TO CANADA. INFORMATION CONCERNING THE ABOVE WAS ALSO FURNISHED BY [REDACTED]

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AND WILL BE SUBMITTED TO THE BUREAU BY SEPARATE COMMUNICATION. INFORMANT FURTHER ADVISED HE WAS PRESENT IN THE ROOM IN THE PRINCE GEORGE HOTEL IN NEW YORK CITY WHEN MASCOLO MET WITH ALEXANDER TRACHTENBERG ON FEBRUARY FOURTEEN, LAST. SINCE MASCOLO SAID SHE HAD TO PERSONALLY DELIVER THE MESSAGE FROM

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BUCK TO TRACHTENBERG, INFORMANT HAD TO FEIGN ~~WAS~~^{AT} INTEREST
IN THE CONVERSATION WHICH WAS CARRIED ON IN LOW TONES. SHE
HAD A LIST OF NAMES AND TRACHTENBERG SAID THAT ~~IF~~^{IF}
SHE GAVE HIM THE LIST, HE WOULD BE ABLE TO BETTER
UNDERSTAND THE ANSWERS TO QUESTIONS OBTAINED
FOR HIM BY BUCK. IN THE OPINION OF THE INFORMANT,
TRACHTENBERG HAD ASKED THE RUSSIANS TO APPROVE ROYALTIES
FOR CERTAIN WRITERS. AT ONE TIME DURING THE CONVERSATION,
TRACHTENBERG SAID THAT HE HAD ALREADY RECEIVED MONEY
FOR AN INDIVIDUAL SINCE HE LAST SAW MASCOLO. INFORMANT ONLY
HEARD A NAME WHEN TRACHTENBERG WAS UNABLE TO READ
MASCOLO'S NOTES. THE ONLY NAMES MENTIONED WERE HERBERT
APTHEKER, BOB DUNNE, AND JIM ALLEN. NEW CENTURY
PUBLISHERS WAS MENTIONED SEVERAL TIMES. OCCASIONALLY,
TRACHTENBERG WOULD SAY THIS PERSON DOES NOT DESERVE ANY
PAYMENT. MASCOLO WOULD REPLY THAT IT HAD ALREADY BEEN
ARRANGED, AND IT IS TOO LATE TO CHANGE IT NOW. TRACHTENBERG
SAID THAT HE WAS WELL PLEASED AND THAT SHE ⁵⁴ WOULD TELL TIM
BUCK THAT HE HAD DONE A GOOD JOB. MASCOLO TOLD TRACHTENBERG
THE RUSSIANS WERE MOST ANXIOUS TO RECEIVE QUOTE ECONOMIC
NOTES END QUOTE. SHE REPLIED THAT HE HAD SENT THEM SOME
ISSUES. SHE SAID THEY MUST HAVE GOTTEN LOST IN THE
GENERAL SHUFFLE AND THAT IT WOULD BE BEST TO SEND THEM

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To. SEE THEN POINTED TO SOMETHING WRITTEN ON THE
PIECE OF PAPER. AT THIS POINT CG FIVE EIGHT TWO FOUR
DASH S ASTERISK JOINED THE OTHER THREE. TRACHTENBERG
SAID THAT HE KNEW ABOUT THE PLAN TO HAVE FOSTER GO
TO RUSSIA. HE SAID THAT A SERIES OF STEPS IS BEING
PLANNED. FIRST THE UNITED STATES GOVERNMENT WOULD BE
ASKED TO DISMISS OR SUSPEND THE SMITH ACT INDICTMENT
AGAINST FOSTER BECAUSE OF HIS HEALTH. SUBSEQUENTLY,
THE GOVERNMENT WOULD BE REQUESTED TO ALLOW FOSTER, FOR
HUMANITARIAN REASONS, TO GO TO RUSSIA. HE STATED THAT
BOTH PHYSICIANS ^{AND ATTORNEYS} ARE WORKING ON THIS. TRACHTENBERG
ALSO STATED THAT JACK SHULMAN STARTED A CAMPAIGN TO
RAISE FUNDS FOR FOSTER SINCE MONEY WAS NOT AVAILABLE
TO PAY FOR THE NURSES. HOWEVER, SINCE THERE ARE NOT
SUFFICIENT FUNDS FOR THE NATIONAL OFFICE AND FOR
QUOTE THE WORKER END QUOTE, TRACHTENBERG AND OTHERS IN
THE NATIONAL OFFICE FELT THAT IT WOULD ^{NOT} BE ADVISABLE
TO PRIVATELY COLLECT MONEY FOR FOSTER. THEREFORE,
SHULMAN WAS INSTRUCTED TO STOP THIS CAMPAIGN.

[REDACTED]

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DIRECTOR, FBI (100-340711)

2/17/58

SAC, NEW YORK (134-91)

PERSONAL ATTENTION

NY 694-S

Rerep SA VICTOR A. LEMAITRE dated 11/15/57 and captioned "ISIDORE GIBBY NEEDLEMAN, was.; IS-R; ISA OF 1950." The Bureau's attention is directed to pages 3, 4, 5, and 6 of said report, reporting NEEDLEMAN's interest in trade with Communist countries (Bufile 100-341652).

Referenced report reflects that a group of individuals, including FRANK COE and MILTON FRIEDMAN, is interested in setting up an organization to trade with China. COE has been identified by ELIZABETH T. BENTLEY as a former member of a Soviet espionage group which was headed by NATHAN GREGORY SILVERMASTER and which was active in Washington, D.C. in the early 1940's. FRIEDMAN has been identified as an attorney whom CP members had been instructed to contact in the event they should be arrested. He also has been reported to have attended CP meetings in 1948.

NY 694-S advised on 2/14/58 that in a conversation with [redacted] who is active in the CP Reserve Fund operation, [redacted] furnished the following information which in the opinion of the NYO is related to the information in rerep:

FRANK COE recently came to [redacted] and stated that he was a member of a group interested in trading with China. According to COE, "some one" (not further identified) recently conferred in Paris with CHAO TING CHI, former member of the CP, USA and currently "Minister of Foreign Trade" in China. CHI said that

- 2- Bureau (100-340711) (RM)
- 1- New York (100-78633) (I.G. NEEDLEMAN) (6)
- 1- New York (100-85051) (MILTON FRIEDMAN) (6)
- 1- New York (100-96773) (FRANK COE) (6)
- 1- New York (100-21785) [redacted] (6)
- 1- New York (105-1322) (CHAO TING CHI) (1)
- 1- New York (105-1329) (Survey of Chinese Communist Communist Activity in the US) (1)

1- New York (134-91) (INVEST)

ACB:jas
(9)

WLB

124-71-1256

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DIV. 3
DIV. 4
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SEC. 5
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NY 134-91

China was anxious to obtain 'a lot of material' from the USA, and that by reason of his position, he could give "friendly business people" in the USA "large orders."

COE told [] that since much of the material that China requires may not be sold legally to China, he is interested in contacting a Canadian agency through which the material from the USA could be sent to China.

[] told COE that the individual who could recommend a Canadian agency is TIM BUCK, head of the Canadian CP, and that NY 694-S, by reason of his close personal relations with BUCK, should be the one to present the problem to BUCK.

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COE thought well of [] suggestion, and requested [] to ask NY 694-S to contact BUCK regarding this matter when the informant next goes to Toronto. COE requested that NY 694-S emphasize to BUCK the fact that his group is dealing with "high-level Chinese sources." COE said that if BUCK could recommend a Canadian agency, he would prefer that representatives of such an agency come to New York to discuss business with him. If need be, however, COE would go to Canada for discussions. COE told [] that he is receiving weekly wages from "the group here interested in the deal."

UACB NY 694-S will transmit COE's request to BUCK when the informant next goes to Toronto. The NYO believes that NY 694-S is in a position to insist that [] and COE furnish him with more specific details concerning the nature of the proposed China trade venture, particularly concerning the names of COE's associates. As a reason for demanding this information, the informant could tell [] and COE that BUCK would not become involved in this matter unless he were briefed regarding all essential details.

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NY 694-S will be instructed to proceed in this matter as suggested above, UACB.

In view of the sensitive nature of the information herein and the possibility that the dissemination thereof might jeopardize the security of the informant, it is recommended that no dissemination outside the Bureau be made at this time.

2/16/56

AIRTEL

RM

TO: DIRECTOR, FBI (100-3-01)

FROM: SAC, NEW YORK (100-86624)

CP, USA - INTERNATIONAL RELATIONS
IS-C

Re NY teletype, 2/16/56.

Review of information furnished by
[redacted] on 2/15/56, reveals that an individual
named JACK (CHILDS) and a woman named ELIZABETH
(MASCOLD) visited the POSTER apartment at 10:55 AM
on 2/15/56, and further that they departed at
1:02 PM.

b7D

Informant advised that the following is
pertinent. It is suggested that the utmost care be
exercised in connection with any possible dissemination:

ELIZABETH stated she had a son and a 4
year old grandson. She subsequently stated the

4-Direct (100-3-81) (RM)
(1-61-330) (WILLIAM Z. POSTER)
1-NY 100-8057 (EUGENE DENNIS)
1-NY 100-9365 (WILLIAM Z. POSTER)
①-NY 134-91 (6) (INVEST)
1-NY 100-86624
1-Supervisor #19

JLF:mag
(9)

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NY 100-86624

grandson was the pride and joy of 'BIG TIM' (DUCK). ELIZABETH stated he (DUCK) could no longer refuse because on 3 occasions he was prepared to go and didn't. (DUCK's trip to Russia)

Informant advised that JACK asked about CHOU EN LAI. ELIZABETH said she didn't think they (attachees) got very far. JACK asked if the world was serious and ELIZABETH said it was evidently not serious as he (DUCK) saw him (CHOU EN LAI) a few times. ELIZABETH stated this was one reason why they insisted on a bodyguard for him, saying the streets were very crowded and that they (Chinese) were responsible for him. ELIZABETH said they asked that TIM not walk the streets at night, even with his bodyguard.

ELIZABETH stated he (TIM) was presented with an ivory figure on his birthday - a symbol of the god of longevity and a beautiful scroll of what she thought was a wild duck, also a symbol of longevity. ELIZABETH said they gave him a heavier coat in the Soviet Union and that he had his choice of 3 coats (in China) with the compliments of MAO TSE TUNG.

ELIZABETH told of receiving a letter (necessarily from TIM) in which he said he went to [redacted] --- (probably [redacted] of the Canadian Labor Progressive Party) and that there was a tremendous rate of development since he was there

b6
b7c

NY 100-86694

last. Also that the area around the University of Moscow, which had been an open field, is now a "rainbow of houses". (Informant advised that the foregoing conversation took place in the kitchen of the POSTER home while POSTER was being attended in his bedroom, by his physical therapist.)

At this point, SYLVIA (KOLKO) asked POSTER if ELIZABETH could come in and visit. (The therapist had concluded his work.) Informant advised that POSTER told ELIZABETH he had written a book on the demonstrated superiority of socialism over capitalism.

ELIZABETH told POSTER about the request for the written authorization to make changes in POSTER's articles. She said they (Soviets) wanted it so it could not be said they took liberties. ELIZABETH also told POSTER that the 2 important things they want very much is your reply to KUTELNIK and any other material you have written with regard to this matter. POSTER indicated that Sputnik had a great effect on the American party. POSTER discussed the present situation in the party and stated he had the reputation of being inflexible, but that this was not actually the case. POSTER stated the main job facing the party was that of smashing the right wing. POSTER told his wife to call ELIZABETH (who was evidently leaving) as he wanted to ask about [redacted]

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NY 100-36624

With regard to the authorization, ELIZABETH dictated the following to SYLVIA (MILLED): "On behalf of WILLIAM FOSTER, I authorize to make in publication whatever editorial changes are necessary." FOSTER FOSTER was to sign this authorization. SYLVIA asked ELIZABETH if she wanted 2 copies of the authorization and ELIZABETH stated "yes, because one will go one way and the other will go the other way".

After the departure of the above visitors, SYLVIA, presently talking about [redacted] stated she was fine and looked well, that HANDEL (HOLM) had written to her while TEL was there, that she was happy to receive it and that she receives a pension.

SYLVIA subsequently stated that he (CHILDS) thinks he can help us find a place in Queens. SYLVIA told FOSTER she needed 2 copies of each issue of "Political Affairs" (probably those issues containing FOSTER's articles). FOSTER said MURPHY would see JACK (CHILDS) and give those articles to him.

FOSTER asserted "she (ELIZABETH) said they're very anxious for me to come - that the whole family can come if they want to. That's why they're pushing the doctor because they're getting pressure from across." SYLVIA said the doctor would bring the statement on Monday. SYLVIA said HANDEL would pick it up and take it to ALEX (ALEXANDER TRACHTENBERG). FOSTER

NY 100-86624

said MANUEL should deliver it to someone whose name could not be ascertained. ESTHER FOSTER asked about the money problem and SYLVIA said that once everything was clear it would be taken care of automatically. SYLVIA then indicated that JACK (CHILDS) said TRACY (TRACY) did not like SEYMOUR (JACK). SYLVIA told FOSTER that she had written the authorization and that ESTHER signed it. SYLVIA said you (FOSTER) told me to tell her (ELIZABETH) that when she speaks to [redacted] she should tell him about writing you over there. SYLVIA stated she (ELIZABETH) would not see [redacted] on this trip. FOSTER said "it was very good that in asking for this article on the HITTLEMAN thing that they didn't want [redacted] to know anything about it". FOSTER then said that [redacted] was not to have anything to do with it. FOSTER added [redacted] has hurt himself very badly with them". SYLVIA stated [redacted] didn't know she (ELIZABETH) was here, but that "she told TRACY (TRACY) yesterday about how anxious they are to have BILL (FOSTER)". FOSTER asserted that TRACY would in all probability tell GENE.

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SYLVIA then stated that JACK (CHILDS) would see MANUEL this week about housing in Queens.

SYLVIA then made the following remarks:
"There's a small booklet out telling a lot of stuff about NIXON - some of the stuff he pulled on the HISS case and on the [redacted] case. There's a booklet out

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b7C

NY 100-86624

- how he fixed up the [] case - that all this stuff that was presented there wasn't true. There was no such thing as a typewriter. It was all fixed - the whole frame-up. All also things about the [] case."

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POSTER subsequently stated "the family is no problem. If I go, you can go."

[] advised on 2/17/58, that POSTER told MANUEL on that date that he received the paper (probably the statement) from the doctor.

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2/18/58

AIR-TEL

TO: DIRECTOR, FBI (100-87638)
FROM: SAC, NEW YORK (100-21785)

[redacted] was
IS - R; ISA - 50

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NY 694-S* advised this date, subject advised informant that subject at request of MOURAVIEV of Amtorg, wanted to purchase the following cameras, for which MOURAVIEV has given subject \$300:

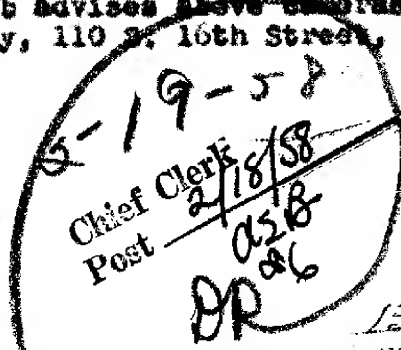
1. Portable Wittaker Micro 16 mm. Format 15 x 15 mm., shutter speed 150th of a second fixed focus, diaphragm control.
2. Portable Wittaker Pixie, 16 mm., Format 9 x 12 shutter speed 150th of a second, fixed focus lense approximately 15 mm. focal length.

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Informant advises [redacted] has had no success in locating these cameras for MOURAVIEV and has solicited informant's assistance.

NYO Photo Lab advises above cameras manufactured by Micro Pixie Sales Company, 110 S. 16th Street, Philadelphia 2, Pennsylvania.

3-Bureau (RM)
1-Philadelphia (Info) (RM)
1-NY 105-5931 #17
1-NY 105-12374 #17
1-NY 65-7471 #17
1-NY 134-91 #6 (INVS)
1-NY 100-21785 #6



EJM:PEH (#6)
(10)

134-91-1258
SEARCHED _____
SERIALIZED _____
INDEXED _____
FILED _____

[redacted] 403
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NY 100-21765

NYO Photo Lab advised above cameras not commonly carried in stock by retail camera distributors. Cameras are usually ordered from the firm on the request of the purchaser.

UACB NY 694-S* will advise [] that above cameras manufactured by Micro Pixie Sales Company, Philadelphia and can be obtained only on order through a local retail distributor.

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In the event [] places order, or requests NY 694-S* to place an order with a local retail distributor for above cameras, Philadelphia will be requested to obtain from Micro Pixie Company, the cameras ordered so that they may be appropriately marked by the Bureau Laboratory.

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DIRECTOR, FBI (105-38307)

2/19/58

SAC, NEW YORK (105-11563)

[REDACTED]
IS - R

[REDACTED]
IS - R

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ReBulet, 2/11/58, and NYairtel, 12/6/55, with enclosure of NY teletype to Bureau, 11/26/55, captioned as above.

On 2/18/58, NY 694-S* advised that there has never been any question in his mind that ISIDORE GIBBY NEEDLEMAN was referring to [REDACTED] when he told NY 694-S* on 11/26/55, that "it was the Army guy who brought information that things were getting hot. The Army guy forewarned them."

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NY 694-S* based the above upon the fact that NEEDLEMAN predicated the entire conversation by writing on a piece of paper the names of [REDACTED] and then pointing to the first letter of each name which formed [REDACTED] the code name for the [REDACTED] group. [REDACTED] was identified as 36 years of age, and as "an Army captain who was heroic during the war," and [REDACTED] on the "A" bomb project.

NY 694-S* pointed out that NEEDLEMAN was specific in referring to [REDACTED] whereas he indicated that the "guy here," who was not identified by name, with whom the [REDACTED] brothers were in touch, and with whom NEEDLEMAN acted in the capacity of intermediary, was a Russian.

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Therefore, when NEEDLEMAN specifically referred to [REDACTED] he could only have been referring to [REDACTED] or NEEDLEMAN would have explained that he was actually speaking of another person. NEEDLEMAN was quite emphatic when he spoke of [REDACTED] as "an Army guy who was heroic during the war" so that when he referred to the [REDACTED] within a few moments after the above description there was no possibility

- 4 - Bureau (105-38307) (RM)
- (2 - 105-38306) [REDACTED]
- 1 - New York (105-11491) [REDACTED]
- 1 - New York (100-118948) [REDACTED]
- 1 - New York (100-78633) (ISIDORE GIBBY NEEDLEMAN)
- 1 - New York (134-91) (INVEB.)
- 1 - New York (105-11563)

134-91-1259
SEARCHED [REDACTED] INDEXED [REDACTED]
SERIALIZED [REDACTED] FILED [REDACTED]

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JPD/bml
(9)

[REDACTED] ACP

NY 100-11883

in informant's opinion of any other individual than [] being
as designated by NEEDLEMAN.

It is noted that []

[] in the United States Army during World War II, and

[] participated in the battles of Normandy, Northern France, the Rhine-
land and Central Europe, and [] he was released from active
duty as a Captain from the Separation Center, at Fort George G. Meade,
Maryland, by reason of demobilization.

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3/4

2/27/58

AIRTEL

TO : DIRECTOR, FBI (100-87638)
FROM: SAC, NEW YORK (100-21785)
RE : [redacted] was.
IS - R
ISA - '50

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Re NY airtel 2/18/58, Duairtel 2/26/58.

Enquiry at Directory of Photographic Industry, (D.P.I.), 33 W. 60th St., NYC, reflects that cameras itemized in re NY airtel are imported from Japan. Micro-Pixie Sales Co., Phila., is best known importer of same but other smaller firms probably have some in stock. D.P.I. records for 1957 and 1958 show that these cameras were not "claimed" by Micro-Pixie or any other firm.

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[redacted] of D.P.I. catalogues and yearbook, who was interviewed under pretext in instant matter advised that for a company to "claim" a photographic item, meant the company was actively engaged in sale of same.

- 3- Bureau (100-87638) (RM)
- 1- Philadelphia (DEFO) (RM)
- 1- NY 134-21 (Inv.)
- 1- NY 105-5331 (#17)
- 1- NY 105-12374 (#17)
- 1- NY 65-7471 (#17)
- 1- NY 100-21785

RJH:cat/ras
(10)

1- Supv. #6 [redacted]

134-91-1260

SEARCHED	INDEXED
SERIALIZED	FILED
FEB 27 1958	
FBI - NEW YORK	

[redacted] 1998

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2/27/38

AIRTEL

NY 100-81785

Despite fact that Micro-Pixie did not "claim" cameras in question in 1957 and 1956, GROSSMAN felt sure that Micro-Pixie still has these cameras available for sale. Selling price is around \$30.00. Cameras were originally imported by Whittaker Co., now defunct. GROSSMAN stated that cameras in question are an earlier model but inferior to the Minolta and the Ricoh, both Japanese imports, which received much notice at recent National Photographic Exhibition at NY Coliseum. D.P.I. records reflect that Micro-Pixie Sales Co. also known as Maurice D. Atuhove Co., 110 S. 16th St., Philadelphia, Pennsylvania. NYO indices negative re

[redacted] but contain info re [redacted] who in 1951 and 1952 resided in Philadelphia. [redacted] subject of Bufile 121-30504. NY files do not contain enough info to identify [redacted] as a relation of [redacted]

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Bureau requested to provide Philadelphia with any pertinent info re [redacted]

NY 694-S* has been provided above info re Micro-Pixie cameras and has requested descriptive literature from Micro-Pixie Sales Co. in Philadelphia.

When informant receives this literature he will turn it over to subject. Informant will not order cameras themselves from Micro-Pixie to avoid involvement in foreign agents registration act.

Philadelphia will be advised when informant determines subject has ordered cameras. Informant states that NEURAVIEV has been "pushing" [redacted] to obtain cameras as soon as possible.

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2/27/58

AIRTEL

NY 100-21705

Bureau and Philadelphia will be kept advised of
all developments.



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OFFICE MEMORANDUM

UNITED STATES GOVERNMENT

DATE: 2/20/58

TO : DIRECTOR, FBI (100-340711)

PERSONAL ATTENTION

FROM : SAC, NEW YORK (134-91)

SUBJECT: NY 694-S

ReNYlet 2/17/58.

For information San Diego and Los Angeles relet pointed out the following:

During September, 1957, it was determined that MILTON FRIEDMAN and FRANK COE were interested in a business enterprise to promote trade with Red China and that FRIEDMAN had consulted ISIDORE GIBBY NEEDLEMAN in this regard.

Recently the captioned informant learned from [redacted] with whom informant shares office space, that [redacted] is now involved in this enterprise with FRANK COE. [redacted] has solicited the informant's assistance in trying to arrange through TIM BUCK, Canadian CP functionary, for shipment of certain material from the U.S. to Canada and from there to Red China.

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The following information supplements that furnished the Bureau in relet:

2-Bureau (100-340711) (RM)
1-San Diego (100-10432) [redacted] (Info) (RM)
1-Los Angeles (105-2303) [redacted] (Info) (RM)
1-New York (105-10680) [redacted] (6)
1-New York (100-78633) (I.G. NEEDLEMAN) (6)
1-New York (100-85051) (MILTON FRIEDMAN) (6)
1-New York (100-96778) (FRANK COE) (6)
1-New York (100-21785) [redacted] (6)
1-New York (105-1329) (Survey of Chinese Communist Activity in the U.S.) (1)

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b7C

①-New York (134-91)(INYES)

CT:mec
(11)

ash

134-91-1261

SEARCHED	INDEXED
SERIALIZED	FILED
FEB 20 1958	
FBI - NEW YORK	

[redacted] 9CB

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NY 134-91

On 2/14/58, [] (protect), who has furnished reliable information in the past, learned that [] (San Diego 00) was in NYC and staying at the Savoy Plaza Hotel Room 1714. According to informant, ISIDORE GIBBY NEEDLEMAN invited [] to join him for lunch on that date which invitation [] accepted. [] informed NEEDLEMAN that he had come to NYC alone and would be in town for only the one day.

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Later, on 2/14/58, this same source ascertained that NEEDLEMAN informed [] that he had lunch with "the guy from California" (presumably []) NEEDLEMAN further identified this individual to [] by stating that he was "the one that would have contact with the distributor, so when FRANK (presumably FRANK COE) has something definite, they'll let me know."

On 2/17/58, [] (protect), who has furnished reliable information in the past, learned that [] Los Angeles telephone number is []

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From the above information, it would appear logical to assume that NEEDLEMAN has interested [] in the Chinese trade venture to the extent of putting the group in contact with someone who would act as a distributor of material received in the U.S. from Red China.

For information.

DENSON, FBI (100-3-69)

2/25/58

SAC, NEW YORK (100-74560)

CP, USA-FUNDS
IS-C

Bulet to New York dated 2/14/58, and Bulet to New York and Newark dated 2/17/58, requesting recommendations and comments as to the desirability of interviewing [redacted]

[redacted] all former members of a secret CP cell, which has been described as the "Wall Street Group."

Since the identities of the members comprising above group have never been a matter of common knowledge within the Party, NY 694-S*, the source of the Bureau's information regarding this group, was asked on 2/20/58, if he thought interviews with various former members of this group concerning their knowledge of CP finances would tend to jeopardize his status as a Bureau informant. NY 694-S* indicated he felt such interviews would definitely imperil his informant status.

NY 694-S* stated he believed that the persons approached for interview by the Bureau would advise WPA HARRIS, CP, USA reserve fund functionary, of these attempted contacts.

6-Bureau (NY)

(2-100-3-69) (CP, USA-Funds)

(1-100-40826)

(1-100-41594)

(1-100-40597)

(1-100-40826)

1-Newark (100-30854)

1-New York (100-11520)

1-New York (100-12513)

1-New York (100-111159)

1-New York (100-91) (S & C) (INVEST)

1-New York (100-74560)

AJS:ims
(12)

134-91-1262

SEARCHED	INDEXED
SERIALIZED	FILED
FEB 25 1958	

[redacted]

NY 100-74560

HARRIS, according to NY 694-S*, would then make exhaustive inquiries trying to determine the "leak" as to the membership of above group. Since, during the time the informant was active in reserve fund affairs, only he, HARRIS and the deceased WILLIAM WEINER were fully cognizant of the operations of the "Wall Street Group," suspicion along these lines could very easily be directed at the informant. In this connection, NY 694-S* recalled that on one occasion, HARRIS, in referring to his appearances before congressional committees, stated that in each such appearance, he was questioned about \$47,000, which Safe' Society had contributed to the CP. HARRIS pointedly remarked to the informant that only he and the informant had original knowledge of such a contribution.

Because of the possibility of compromising NY 694-S* and, in turn, CG 5824-S*, the NYO recommends that the interviews proposed in relats not be conducted at this time UACB.

2-24-58

Airtel

TO: SAC, Philadelphia
2-New York (100-21785)

FROM: Director, FBI (100-87638)

was.

IS - R
INTERNAL SECURITY ACT OF 1950

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Re: Airtel 2-18-58 captioned as above.

New York should maintain contact with NY 694-S as suggested in referenced airtel to determine whether portable Wittaker cameras are ordered through Micro Pixie Sales Company, Philadelphia. Philadelphia should be advised when order is placed and arrangements should be made to have cameras forwarded to Bureau Laboratory for appropriate markings. In the interim Philadelphia should obtain from Micro Pixie Sales Company any brochures available on cameras in which Anterg is interested. Brochures or descriptive literature of any type should be forwarded Bureau, attention FBI Laboratory. Also furnish identifying data on Micro Pixie Sales Company. Bufiles negative.

134-91-6106
100-21785

SEARCHED	INDEXED
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FEB 25 1958	
FBI - NEW YORK	

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134-91-1243-12

SAC, NEW YORK (100-9352)

2/28/58

SA JOSEPH V. WATERS (19-)

ABRAHAM B. MAGIL
IS-C

On 2/20/58, NY 694-S* furnished SA [redacted] with a mimeographed copy of a letter, dated 2/13/58, directed to the National Committee of the CPUSA, and signed "A.B. MAGIL". This letter noted reference to MAGIL in issue #18 of "Kommunist", theoretical organ of the CPUSA, in an article by D. SHEVLYAGIN, "The Struggle of the Fraternal Communist Parties Against Contemporary Opportunism". MAGIL declared that it seemed to him that the National Committee was duty bound to respond to "smear tactics" by writing to "Kommunist" protesting distortion of his views.

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Also furnished by NY 694-S* was a mimeographed copy of an extract from the article.

NY 694-S* has stated that the above documents were copies of material furnished National Committee members attending a committee meeting on 2/15 and 16/58, according to [redacted] employed in the National Office of the CPUSA.

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These documents are retained as an exhibit in 100-9352-1490.

It is noted that copies of the above material were furnished the Bureau by airtel 2/15/58, entitled "CPUSA-ORGANIZATION; IS-C", having been obtained by CG 5824-S*.

- 1 - New York (100-86624) (CPUSA-International Relations) (19-1)
- 1 - New York (134-91) (SUNSET) (6) (INVEST)
- 1 - New York (100-9352) (7-2)

JVW:ktc
(3)

134-91-1264
SEARCHED INDEXED
SERIALIZED FILED
FEB 28 1958

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b7C

Office Memorandum • UNITED STATES GOVERNMENT

TO : SAC, New York (134-91)

DATE: February 27, 1958

✓ FROM : Director, FBI (100-340711)

Personal Attention

SUBJECT: NY 694-S

Reurlet 2-17-58.

The Bureau has no objection to NY 694-S transmitting Coe's request to Tim Buck in Canada. You should closely follow this matter with NY 694-S to obtain all the information he can develop concerning the identity of the Canadian agency recommended by Buck, the associates of Coe in the trading enterprise, and the activities of the group in actually putting their plan into operation to trade with China through the Canadian agency. The Bureau desires to be kept promptly advised of this so that consideration can be given to opening an investigation to determine what types of materials are being transmitted to China in order that consideration can be given to advising the appropriate Government agency responsible for policing trade to Communist China.

Investigation letter file

134-91-1265

SEARCHED	INDEXED
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FEB 28 1958	

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WCB

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FBI

Date: 3/6/58

Transmit the following in PLAIN TEXT

Via AIRTEL

TO : DIRECTOR, FBI (100-3-69)

FROM : SAC, NEW YORK (100-80641)

SUBJECT: CP, USA - ORGANIZATION
IS - C

NY 694-S advised on 3/5/58, that he conferred on 3/4/58, with [REDACTED] who discussed the following:

3 - Bureau (100-3-69) (RM)
1 - Boston (100-16160) (MICHAEL RUSSO) (RM)
1 - Chicago (100-18001) (FRED FINE) (RM)
1 - Chicago (100-) (JACK KLING) (RM)
1 - Chicago (61-867) (CLAUDE LIGHTFOOT) (RM)
1 - Detroit (100-13420) (CARL WINTER) (RM)
1 - Los Angeles (100-4486) (DOROTHY HEALEY) (RM)
1 - Newark (100-2974) [REDACTED] (RM)
1 - San Francisco (65-1242) (ALBERT J. "MICKIE" LIMA) (RM)
① - NY (134-91) (INVEST) (6)
1 - NY (65-16441) (SASH) (6)
1 - NY (100-129629) (WILLIAM ALBERTSON) (19-2)
1 - NY (100-25693) (EARL BROWDER) (7-4)
1 - NY (100-50806) (GEORGE BLAKE CHARNEY) (19-2)
1 - NY (100-56) (MICHAEL DAVIDOW) (19-2)
1 - NY (100-79967) (BEN "BROOKLYN BEN" DAVIS) (12-12)
1 - NY (100-8057) (EUGENE DENNIS) (19-1)
1 - NY (100-17923) (JOHN GATES) (19-1)
1 - NY (100-24448) [REDACTED] (19-2)
1 - NY (100-467) [REDACTED] (19-2)
1 - NY (100-13203) [REDACTED] (7-2)
1 - NY (100-63755) [REDACTED] (12-10)

COPIES CONTINUED ON NEXT PAGE

ACB:fef
(44)

SEARCHED INDEXED
SERIALIZED FILED

134-91-1246

FBI

Date:

Transmit the following in _____

Via _____

NY 100-80641

COPIES CONTINUED

1 - NY	(100-48033)	(IRVING POTASH)	(7-4)
1 - NY	(100-7413)	[REDACTED]	(12-14)
1 - NY	(100-23290)	[REDACTED]	(12-11)
1 - NY	(100-68934)	[REDACTED]	(12-12)
1 - NY	(100-13480)	(JOSEPH STAROBIN)	(19-2)
1 - NY	(100-50090)	(SID STEIN)	(19-1)
1 - NY	(100-27452)	[REDACTED]	(19-1)
1 - NY	(100-18673)	[REDACTED]	(19-2)
1 - NY	(100-51166)	(CP OF CANADA)	(19-1)
1 - NY	(100-87211)	(CP, USA - Factionalism)	(19-1)
1 - NY	(100-74560)	(CP, USA - Funds)	(19-1)
1 - NY	(100-128821)	(CP, USA - Funds-Reserve Funds)	(19-1)
1 - NY	(100-86624)	(CP, USA - International Relations)	(19-1)
1 - NY	(100-80635)	(CP, USA - Jewish Activities)	(19-1)
1 - NY	(100-54651)	(CP, USA - National Groups)	(19-1)
1 - NY	(100-128814)	(CP, USA - NY District- Organization)	(19-2)
1 - NY	(100-21)	("Morning Freiheit")	(7-2)
1 - NY	(100-80641)		

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FBI

Date:

1 Transmit the following in _____

Via _____

NY 100-80641

[] requested that informant brief him regarding the Canadian CP political situation, particularly with regard to the factional dispute concerning the Jewish question. NY 694-S did so, including in his remarks the fact that a Canadian CP delegation, of which [] had been a member, discussed with CPSU leaders in Moscow the Jewish question, and that the said delegation-particularly [] - had not been satisfied with answers given by the CPSU leaders in reply to inquiries concerning the Jewish question.

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[] then inquired whether, in the informant's opinion, [] and his group had been in contact with "Jewish leaders here". NY 694-S stated he believed that [] had contacted such leaders. [] then said there is every indication that "Jewish leaders and comrades on the Freiheit will break away from the Party". [] attributed this situation to the fact that these people had been neglected for the past few years and had been on their own.

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The "tragedy" of the situation, [] said, was that, unless preventive measures were taken, the CP would be unable to replace these people with "new loyal forces."

[] said the CP, USA is confronted with other serious problems: He is dissatisfied with the present composition of the National Committee and the National Executive Committee. Concerning the NEC, he said that if people like CARL WINTER and CLAUDE LIGHTFOOT were included in the NEC, the NEC would constitute a more full and rounded leadership. It is the task of the Party to secure the services of people like WINTER and LIGHTFOOT in top leadership posts, rather than people like FINE and STEIN. In this

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FBI

Date:

Transmit the following in _____

Via _____

NY 100-80641

regard, [] noted with satisfaction that MICKEY LIMA of California no longer follows the thinking of FINE and STEIN. He doubted, he said, that people like DOROTHY HEALEY of California would switch their thinking. [] said the situation is serious, but does not indicate a split in the Party.

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[] predicted that people like MIKE RUSSO [] eventually would leave the Party, but that if they should, they would not injure the Party by taking people with them.

Another problem confronting the Party is that EARL BROWDER, [] and the JOHN GATES group are attempting to organize "a new paper". They have appealed to people who have left the Party in recent years, particularly to those who had been donors or trade union leaders. [] mentioned "having intercepted" a letter to such people, written by [] in which [] suggested the creation of a new organization of the type of the British Labor Party.

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NY 694-S then asked [] whether this dissident group included [] "BROOKLYN" BEN DAVIS (BEN DOSIN), []

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[] replied in the affirmative.

The informant then inquired whether this dissident group had a "center" (office). [] replied that the group did not have a center, but that at present the members of the group meet at "social gatherings". According to the Party's "infiltrators" in the group, the membership consists of from three to four hundred persons. In the group - and even among its leaders, - there is no unanimity regarding the extent to which the proposed new organization should be similar to the British Labor Party.

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NY 694-S then remarked that he was aware that [] and "BROOKLYN" BEN DAVIS had made trips to the West Coast, presumably to set up this new organization.

FBI

Date:

Transmit the following in _____

Via _____

NY 100-80641

[] said that that was not quite true, for their travels had been "merely exploratory". In reply to the informant's question regarding how [] and DAVIS financed these trips, [] said the answer was obvious: large sums of money belonging to the Party had been in the hands of some of these people before they left the Party. For example, after the 1957 Party convention when there was a change of leadership in the Manhattan leadership, the retiring leadership turned over to the Party only \$300.00 in cash. In [] opinion that was a joke because "Manhattan always had tens of thousands of dollars on hand."

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NY 694-S then told [] that he was about to mention "a certain matter" which he had not discussed even with DENNIS, and that if [] should be so inclined, the latter might decline to discuss the said matter. The informant then asked [] whether IRVING POTASH and [] had had an opportunity to talk privately while they were both at Atlanta Penitentiary. [] replied that he had talked privately with POTASH.

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The informant then inquired whether POTASH ever made any reference to him (the informant). [] said POTASH never mentioned NY 694-S. [] then stated, "I'll tell you exactly what we talked about. IRVING spoke to me in detail of his work abroad, of the people he met, and of their thinking regarding our Party situation, particularly of his talks with SUSLOV and others concerning the American Party situation. About other things I did not question him. When I got out of jail, I attempted to see IRVING's wife, but I was unsuccessful".

Sensing that [] either did not know, or was pretending not to know, of NY 694-S' past association with POTASH, the informant adhered to CP policy in such

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FBI

Date:

Transmit the following in _____

Via _____

NY 100-80641

a situation, and refrained from informing [redacted] of his activities with POTASH. The informant then asked [redacted] whether it was possible for him (NY 694-S) to make contact with POTASH a month or so before the latter is released from jail. [redacted] replied that "a lawyer could be assigned for that purpose".

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Returning to a discussion of the CP, [redacted] mentioned that [redacted] GEORGE BLAKE CHARNEY had resigned from leadership posts in the NY State CP. He said that BILL ALBERTSON had replaced [redacted] as organizational secretary, and as such would also assume the duties of CHARNEY, who had had the title of executive secretary. MIKE DAVIDOW, he stated, would assume ALBERTSON's former role as labor secretary.

In the CP National Office, according to [redacted] serious consideration is being given to [redacted] becoming national labor secretary. He also told NY 694-S, in strict confidence, that he would like to see JACK KLING become national treasurer and administrative secretary.

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When the conference ended, [redacted] agreed to [redacted] continuing to give to NY 694-S for transmittal to TIM BUCK, head of the Canadian CP, various CP documents of interest to the Canadian CP. [redacted] is secretary at the CP National Office.

[redacted]

3/7/58

PLAIN TEXT

AIRTEL

TO : DIRECTOR, FBI (100-87633)
FROM : SAC, NEW YORK (100-21785)
SUBJECT: [REDACTED] was.
IS - RI 13A-1950

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NY 694-S* advised 3/6/58, that subject, at request of NIKOLAI MOGRAVINY, Chief of Antorg, will attempt to purchase one Castro-Photar Camera, manufactured by the Castro-Photar Laboratories, Hastings-On-Hudson, NY.

At [REDACTED] request, informant will write to the manufacturer for descriptive literature and price list.

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NYO will also obtain descriptive literature for transmittal to Bureau Laboratory.

If Bureau Laboratory, upon receipt of descriptive literature, advises the Castro-Photar Camera can be adapted to other uses than medical photography, NYO will make arrangements to have camera forwarded to Bureau Laboratory for appropriate markings.

Bureau will be kept advised of developments.

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3 - Bureau (100-87633)(RM)
1 - New York (105-12374)(17)
1 - New York (65-7471)(17)
1 - New York (105-3931)(17)
1 - New York (134-91) (Inv.)(6)
1 - New York (100-21785)

EJM:fef
(9)

134-91-1267

SEARCHED	INDEXED
SERIALIZED	FILED
MAR 7 1958	
FBI - NEW YORK	

[REDACTED] *Acc*

b6
b7C

5/7
3/4/58

AIRTEL

TO: DIRECTOR, FBI (100-15877)
FROM: SAC, NEW YORK (100-8057)
SUBJECT: EUGENE DENNIS, was.
IS-C

CINAL

NY 698-3* advised on 3/4/58 that in a conversation with [redacted] at CPUSA headquarters, on 3/3/58, [redacted] told him the following: X-rays of EUGENE DENNIS' stomach reflect that he is suffering from bleeding ulcers. His physician, [redacted] does not consider DENNIS' condition serious, states surgery is not indicated, and believes DENNIS will be well enough to return to his office in about a week. As a further precaution, however, [redacted] ordered that DENNIS liver be X-rayed. As yet no report concerning the liver has been received.

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[redacted]
b6
b7C

3 - BUREAU (100-15877)(RM)
1 - NEW YORK (134-91)(INVEST)
1 - NEW YORK (100-8057)(19-1)

ACB:EC (5)
(6)

1 - Sup. [redacted] 19

134-91-1268
SEARCHED.....INDEXED.....
SERIALIZED.....FILED.....
[redacted] 9/8

b6
b7C

OFFICE MEMORANDUM • UNITED STATES GOVERNMENT

TO : DIRECTOR, FBI (100-3-63) Date: 3/4/58

FROM : SAC, NEW YORK (100-74560)

SUBJECT: CP, USA - FUNDS
IS-C

ReBulet 1/31/58.

On 2/20/58, NY 694-S* advised he was in contact with [redacted] on that date. [redacted] told the informant to "forget" about his previous request to transmit certain information to the Poles about [redacted] did not indicate why he was dropping above request.

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- 4 - Bureau (RM)
 - (2 - 100-3-63) (CP, USA - FUNDS)
 - (1 - 105-33888) (SLABOARD TRADING COMPANY)
 - (1 - 100-397666) [redacted]
- 1 - New York (100-8057) (EUGENE BENNETT) (19)
- 1 - New York (100-13743) [redacted] (7-1)
- 1 - New York (105-11160) (SLABOARD TRADING COMPANY) (18)
- ① - New York (134-91) (P & C) (LINKS)
- 1 - New York (100-467) [redacted] (19)
- 1 - New York (105-6061) [redacted]
- 1 - New York (100-74560)

AJS:mmr
(11)

ggk

64-34-91-1269

SEARCHED	INDEXED
SERIALIZED	FILED
MAR 5 1958	
FBI - NEW YORK	

[redacted] #6

b6
b7C

NY 100-74560

[redacted] added EUGENE DENNIS knew about the "outside business" with which [redacted] was associated at the time [redacted] was let go from the Furriers' Union. According to LAWRENCE, [redacted] donated a large "chunk of money" to DENNIS, presumably out of [redacted] share of the profits of above mentioned business. [redacted] did not divulge the source of his information regarding the above to the informant.

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The NYO will conduct appropriate inquiries to determine if above remarks of [redacted] can be verified.

DIRECTOR, FBI (100-3-63)

3/5/58

SAC, NEW YORK (100-74560)

CP, USA FUNDS
IS-C

ReBulet, 3/3/5J.

A review of New York files relating to [] reflects that attempts were made to interview these individuals in 1955, but no interviews were actually conducted since [] refused to be interviewed by Bureau Agents. It is noted above interviews were recommended for the purpose of interrogating [] regarding general CP matters and was not to be limited primarily to questions relating to CP finances.

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A review of the New York file pertaining to [] reflects no information regarding his having been interviewed by this office in 1955. Apparently, the interview referred to in reBulet was conducted by the Newark Office, which is office of origin in the [] case.

A review of pertinent New York files indicates that NY 694-S* and CG 5324-S* are the only sources of information concerning the "Wall Street Group" known to this office. These files do not show that any CP leaders, other than those who were affiliated with above "Group", knew about it.

On 3/5/58, NY 694-S* advised that on one occasion in the past [] told him that he [] had been approached for interview by the FBI, but gave no further details to the informant.

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- 2 - Bureau (100-3-63) (RM)
1 - New York (134-91) (F&O) (INVES)
1 - New York (100-74560)

AJS:RCM
(4)

134-91-1270

SEARCHED	INDEXED
SERIALIZED	FILED
MAR 5 1958	
FBI - NEW YORK	

#6

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b7C

NY 100-74560

NY 694-S* also advised that [redacted] never told him he had been approached for an interview by the Bureau, but [redacted] on one occasion told informant that [redacted] employer had been contacted by Bureau Agents for information regarding him. b6 b7C

On above date, NY 694-S* stated he believed that the only persons, outside of those directly connected with the "Wall Street Group," who may have known about the existence of this "Group," were those persons to whom WILLIAM WEINER had to report concerning his over-all activities. According to NY 694-S*, these persons would have been EARL BROWDER and EUGENE DENNIS.

NY 694-S* added that even if BROWDER and DENNIS were aware of the existence of the "Wall Street Group," they probably did not know the identities of the people comprising this "Group" nor would they have wanted to know their identities, since such lack of knowledge on their part would enable them to testify truthfully at some later date that they did not know who made up this CP cell.

Since, in the opinion of this office, interviews with former members of the "Wall Street Group" concerning their activities in the CP financial apparatus may jeopardize two valuable Bureau security informants, this office does not recommend interviews with the persons mentioned in Bulets dated 2/14/53 and 2/17/53, at this time.

A I R T E L

TO : DIRECTOR, FBI (100-3-81)
FROM : SAC, CHICAGO (100-33729)
SUBJECT: COMMUNIST PARTY - USA
INTERNATIONAL RELATIONS
INTERNAL SECURITY - C

DATE: 3/3/58

BECAUSE OF THE NATURE OF THE FOLLOWING INFORMATION
AND BECAUSE IT CONCERNS THE FUTURE OPERATIONS OF A HIGHLY PLACED
INFORMANT, IT IS SUGGESTED THAT THIS INFORMATION NOT BE DISSEM-
INATED OUTSIDE THE BUREAU AT THIS TIME.

CG 5824-S* orally advised SA JOHN E. KEATING on 2/28/58 that he had received the following information from TIM BUCK, leader of the Labor Progressive Party (the Communist Party of Canada), on 2/25-26/58, in Toronto, Canada. It is noted that BUCK returned to Canada in February, 1958, after having spent over two months in Russia and China.

BUCK stated that he conveyed to the Russian leadership a message from EUGENE DENNIS that MORRIS CHILDS was selected as a representative to go to Russia. This message from DENNIS was in response to an original request from the Russians for such a representative from the United States. BUCK stated that MORRIS

4 - Bureau (AIR MAIL) (REGISTERED)
(1 - 61-7665) (CG 5824-S*)

① - New York (134-91) (NY 694-S*) (P & C) (#6) (Info) (AIR MAIL)
(REGISTERED) (INVEST)

4 - Chicago
(1 - A/134-46)
(1 - 134-46) (CG 5824-S*)
(1 - [redacted])

JEK:kw
(9)

*Please make statements for
100-8664
- 80641
- 8057
Eugene Dennis JES #19*

134-91-12711
SEARCHED INDEXED
SERIALIZED FILED
MAR 4 1958

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CG 100-33729

CHILDS was approved as a representative to the Communist Party of the Soviet Union by MIKHAIL SUSLOV, OTTO KUUSINEN and one BESIDEEN (ph). BUCK stated that they realized that it might be impossible for the Communist Party - USA to send an official delegate to the Soviet Union, and agreed to accept a personal representative of EUGENE DENNIS, who they consider to be the real leader of the Communist Party - USA.

BUCK further stated that these officials of the Communist Party of the Soviet Union wanted CHILDS to attend the celebration of the 40th Anniversary of the Soviet Union in Moscow and this is why a time limit was set in the message conveyed to LESLIE MORRIS, a member of the Secretariat of the Labor Progressive Party. When there was no response to this message, it was assumed that technical difficulties prevented CHILDS from making a trip to Russia on such short notice.

BUCK stated that the top Soviet leaders are very anxious to talk with a member of the Communist Party - USA. He said that they are hungry for first-hand news and a political interpretation of events in the Communist Party - USA and in the United States. BUCK also stated that the Chief Justice of the Supreme Court of China expressed a desire to see CHILDS. He told BUCK to tell CHILDS that he should go to the Chinese Embassy when he gets to Moscow and arrangements will be made for him to be taken by a jet plane to China, even if he can spend no more than one week in China.

According to BUCK, he was scheduled to meet with JANOS KADAR in Hungary after his return to Moscow from China. He was also scheduled to stop over in England on his return to Canada. KUUSINEN and SUSLOV told BUCK that they would send a courier to KADAR to get the information BUCK wanted from KADAR. They also told him not to lay over in England, but to get to Canada and convey the following information to EUGENE DENNIS or his representative:

- (1) They understand that EUGENE DENNIS is doing the best he can under the circumstances and they are pleased with what he is doing.

CG 100-33729

- (2) If BUCK is able to convey this information to DENNIS or his representative, perhaps it will give DENNIS some encouragement in the coming struggle in the Communist Party - USA and it might help the Communist Party of the Soviet Union to get information concerning the February, 1958, meeting of the National Committee of the Communist Party - USA as soon as possible.
- (3) They are anxious for the representative of the Communist Party - USA to get to Russia and will try to make some technical provisions for such a trip if this is a problem.

BUCK said that he discussed technical problems with the Russians. He said that he told them that even with an American passport, a delegate from the Communist Party - USA to the Communist Party of the Soviet Union could not travel openly.

BUCK stated that the Russians told him that all housing and security precautions would be arranged for the delegate from the Communist Party - USA while he is in Russia. They also told him that they had talked specifically and concretely to the Brazilian Communist Party delegates to the 40th Anniversary celebration in Moscow. The Russians told BUCK that if the representative from the Communist Party - USA can get to Brazil, they will see that he gets to London and then through the Baltics to Helsinki, Finland. From Finland, the Russians would get him to Moscow.

BUCK stated that the Russians suggested Brazil because they thought that a person could go from the United States to Brazil without a passport. When they were told that a passport was needed for travel from the United States to Brazil, he said that this upset all the plans which had been made.

BUCK then stated that he had to send a letter by courier before Thursday, 2/27/58. This letter would go to Russia. It was to contain the results of the meeting of the National Committee of the Communist Party - USA held on 2/15-16/58. It was also to contain the resolution on the Party prepared by EUGENE

CG 100-33729

DENNIS and adopted by the National Committee. It was also to contain the resolution on JOHN GATES adopted at the National Committee meeting. It was also to contain the identities and the political composition of the new National Executive Committee of the Communist Party - USA. It was also to confirm that MORRIS CHILDS is to be the representative from the United States to the Communist Party of the Soviet Union, and will set forth the problems involved in getting such a representative from the United States to Russia.

BUCK commented that MIKHAIL SUSLOV is very careful security-wise. BUCK said that SUSLOV stated that he would not send any messages in code to Brazil. He stated that even though their code is changed frequently, they operate on the theory that it can be broken at any time. Therefore, he would send any messages to Brazil by courier.

BUCK stated that it was necessary to emphasize that CHILDS should make the trip to Russia as soon as possible because the leaders of the Soviet Union stress the urgency of seeing a representative from the Communist Party - USA soon.

Then BUCK said that he still thought that the best bet is for CHILDS to get an American passport, if possible. BUCK even suggested the possibility of the use of the name of someone who resembles CHILDS in an effort to get an American passport. BUCK said that an American passport is still the best passport to have for travel in Europe and Asia.

BUCK further stated that the Russians would make provisions for CHILDS' wife, if she accompanied him.

BUCK said that it might be possible for CHILDS to go to Russia with a Canadian passport. However, this would mean that CHILDS would have to live in Canada, then apply for a passport, and then undergo an interview by the Royal Canadian Mounted Police. BUCK said that if things did not go smoothly, there might be trouble in such a plan, but the main difficulty with such a plan is that it would cause a long delay. BUCK then mentioned that Mexico might be a possibility, and said that he would see what he could find out about this. He commented that if CHILDS

CG 100-33729

could go to Mexico, perhaps the Mexican Communist Party could get him a passport. He commented that some of the Latin American delegates to the celebration of the 40th Anniversary of the Russian Revolution could not get passports from their own countries to Russia, so they left from other countries in Latin America and were given assistance by the Communist Party of Mexico.

BUCK stated that CHILDS should do everything possible on his own to get to Russia as soon as possible, but should use precaution so as not to alert United States Government authorities. In this regard, BUCK said that CHILDS should not go to Canada in the immediate future, if he is making preparations for this trip. BUCK said that if he receives any information from the Russians, he will have ELIZABETH MASCOLO call CHILDS' wife from a public telephone to see if CHILDS is at home. If he is, then MASCOLO will make a trip to CHILDS' residence and deliver the message to him or perhaps will request that CHILDS' brother make a trip to Toronto.

BUCK also stated that if the Communist Party - USA wants financial assistance from the Communist Party of the Soviet Union, then CHILDS should be prepared to present proposals as to how this money might be supplied in an indirect manner; for example, royalties, etc.

BUCK also stated that any bulk material, as opposed to letters, which the Communist Party - USA wants him to transmit to the Communist Party of the Soviet Union should be addressed to Progress Books, 924 King Street West, Toronto, Canada. Any material which CHILDS wants sent to Russia for his use when he arrives in Moscow should be addressed to Progress Books Union, with the same Toronto address. BUCK gave the impression that the Russians gave him the assignment to get a representative from the Communist Party - USA to Russia as soon as possible, and that he does not want to fail in this mission.

Comments of CG 5824-S*

At this point, MORRIS CHILDS has been agreed upon by both the Communist Party - USA and the Communist Party of the Soviet Union leadership as the representative to go to the Soviet

CG 100-33729

Union. While this selection of CHILDS could not be altered in a short time, there should not be much delay in getting CHILDS to Russia. For this reason, his health permitting, EUGENE DENNIS should be given this information from BUCK personally during the week of 3/2/58. CHILDS might try the following:

- (1) Apply for a passport in his own name as a roving correspondent for "The Worker" and see what the attitude of the United States State Department would be.
- (2) Apply for a passport using the name of another individual whose description is similar to that of CHILDS.
- (3) Go to Canada, live there for a while, and apply for a Canadian passport. The difficulty with this plan is that if anything happened to prevent CHILDS from obtaining this passport, the Soviets would have nothing to do with CHILDS in the future and would "disown him".
- (4) Attempt to get to Brazil by way of Mexico. One difficulty in this possibility is that CHILDS does not speak Spanish and might encounter difficulties while travelling on a Brazilian passport.

BUCK did not say how such a trip would be financed. Undoubtedly, DENNIS will tell CHILDS to try to borrow enough money to get to Russia, at which time he would be reimbursed and would also be provided with return transportation.

Comments of the Chicago Division

The major problems in regard to this matter appear to be the following:

- (1) The possibility of an immediate passport.
- (2) The need to make some temporary financial

CG 100-33729

arrangements for [redacted] It is believed highly desirable that CG 5824-S* be accompanied by [redacted] yet, she may lose her job as a result of such an extended absence.

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- 9 (3) Maintenance and security of the residence of CG 5824-S* and [redacted] while on a trip of possibly two months duration.
- (4) A possible physical examination for CG 5824-S* before such a trip is undertaken. It is felt that such a trip would open up channels of communication and would have great value beyond the trip itself. Thus, it would be in the Bureau's interest to use every precaution to take full advantage of this.
- (5) The providing of funds for CG 5824-S* and [redacted] to get to Russia. It would be understood that the Russians would be asked to make a reimbursement for travel expenses to Russia.

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It is believed that the most serious problem is that of a passport. The Chicago Division will make recommendations in this regard as soon as the results of the next contact with EUGENE DENNIS are known.

With regard to the letter that BUCK was to send to Russia by courier, since CG 5824-S* left Canada before the date when this letter was to be sent, it is not known whether or not BUCK sent it, but it is assumed that he did.

AUERBACH

3/13

OFFICE MEMORANDUM * * * * * UNITED STATES GOVERNMENT

TO : DIRECTOR, FBI (65-62041)
FROM : SAC, CHICAGO (65-3888)
SUBJECT: SASH
ESPIONAGE - R

DATE: 3-4-58

IT SHOULD BE NOTED THAT THE INFORMATION CONTAINED HEREIN IS OF SUCH A NATURE THAT IT TENDS TO REFLECT CG 5824-S* AS THE SOURCE OF THIS INFORMATION. IT IS, THEREFORE, NECESSARY THAT EXTREME CAUTION BE EXERCISED IN THE DISSEMINATION OF THIS INFORMATION IN ORDER TO PROTECT THE IDENTITY OF THE INFORMANT.

CG 5824-S*, on February 28, 1958, orally furnished the information contained on the following pages to SA JOHN E. KEATING. This information was received by CG 5824-S* in conversations with TIM BUCK, leader of the Labor Progressive Party (the Communist Party of Canada), on February 25 and 26, 1958, in Toronto. This information was dictated on March 3, 1958.

11 - Bureau (REGISTERED)

- (1 - 100-3-86) (CP-USA, Funds)
- (1 - 100-3-81) (CP-USA, International Relations)
- (1 - 100-3-86) (CP-USA, Pamphlets & Publications)
- (1 - 100-) (Communist Party of Canada)
- (1 - 100-21341) (TIM BUCK)
- (1 - 100-) (Political Matters - China)
- (1 - 100-) (Political Matters - France)
- (1 - 100-) (Political Matters - Italy)
- (1 - 100-) (Political Matters - Russia)

11 - New York (REGISTERED)

- (1 - 65-16441) (SASH) (#6)
- ✓ (1 - 134-91) (NY 694-S*) (P & C) (#6) (Info) (INVEST)
- (1 - 100-81752) (CP-USA, Brief) (#7-2)
- (1 - 100-74560) (CP-USA, Funds) (#19-1)
- (1 - 100-86624) (CP-USA, International Relations) (#19-1)
- (1 - 100-81675) (CP-USA, Pamphlets & Publications) (#19-1)
- (1 - 100-51166) (Communist Party of Canada)

See 11 page for additional copies

134-91-1272

SEARCHED	INDEXED
SERIALIZED	FILED
MAR 6 1958	
FBI - NEW YORK	

#6

CG 65-3888

C O P I E S

New York Copies (Continued)

(1 - 100-32826) (JAMES ALLEN) (#7-2)
(1 - 100-) [REDACTED]
(1 - 100-21421) (ALEXANDER TRACHTENBERG)
(1 - 100-) [REDACTED]

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4 - Chicago

(1 - A/134-46)
(1 - 100-33729) (CP-USA, International Relations)
(1 - 100-33370) (Sixth World Festival of Youth and Students)

JEK
JEK:kw
(26)

February 28, 1958

Report by TIM BUCK on his Trip
to Russia and China

TIM BUCK, head of the Labor Progressive Party (the Communist Party of Canada), stated on February 25 and 26, 1958, that he had been in Russia and China during the period between November, 1957, and February, 1958.

China

TIM BUCK stated that he was in China for one month. He said that he saw every leader of the Communist Party of China, including MAO-TSE-TUNG, CHOU-EN-LAI, [redacted] and CHU-TEH. He said that he spent four hours with MAO-TSE-TUNG, with only one other person in the room. This person was an interpreter, whose name is OH-LING (ph). This interpreter had lived in the United States for twelve years.

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BUCK said that he asked MAO-TSE-TUNG the following questions: What is your feeling about a peaceful transition to Socialism, aside from the question of tactics? What do you think about the comrades in America placing the problem that way?

BUCK said that MAO-TSE-TUNG made the following reply: First of all, TIM, once the 20th Congress of the Soviet Union proposed this thesis, it would be wrong to question the validity of this thesis. However, I, myself, think that it would have been better if a discussion had preceded the announcement of the postulates of this thesis of peaceful transition. If there had been a broader discussion in order to give a Marxist-Leninist, scientific explanation of this thesis, it might have prevented a sort of half-baked interpretation of this thesis. Asked by BUCK to explain the last sentence, MAO-TSE-TUNG said, Well, there are reports in the press that PALMIRO TOGLIATTI saw the possibility of Socialism being achieved through Parties other than Communist Parties. Then MAO-TSE-TUNG said diplomatically, Now I do not know that he said that, but if TOGLIATTI did say it, it would be wrong. A discussion preceding this thesis would have avoided even such would-be interpretations of TOGLIATTI.

MAO-TSE-TUNG said that it is not a question of academic correctness only. The political correctness of a thesis cannot be separated from the style of work. This is why the Chinese Communist Party pressed for a statement of the type issued by the twelve Communist Parties; that is, a declaration, which would

be more than a tactical one. In other words, a declaration which would be based on the roots or the science of Marxism-Leninism, and this is where the universal truths which apply to all Communist Parties enter the picture. This is how we can express collectivity because we all base ourselves on the same ideology.

BUCK stated that while he was in China, he addressed a meeting attended by leading Chinese Communist Party functionaries. He said that they wanted to know about the United States and were more interested in the United States than they were in Canada.

Commenting on China, BUCK said that the Russians have established 180 industrial plants for the Chinese. These include a half dozen shipyards which are not only producing ships, but also submarines, and aircraft plants. BUCK said that the Chinese are now producing the latest model MIG and are not importing MIGs from Russia. Another plant in China is an electronically controlled ball bearing plant. This plant is similar to one in Moscow which at one time took ten thousand persons to operate and is now being operated by about eighty persons. BUCK said that he was told that 280 Russian engineers went to China to set up a plant. At the present time, only nine of these Russian engineers are still in the plant and the Chinese have been able to take over the operation of the plant.

BUCK said that the Chinese Party leaders commented to him that they had read in the bourgeoisie press that Soviet submarines are cruising the Pacific. Then they stated, "Let them think this. Actually, these are Chinese submarines and they are of the latest type."

BUCK said that he gained the impression that China is pretty well equipped militarily and that it has modern weapons. It is also developing industrially and politically.

BUCK also stated that MANYA REISS, a former resident of the United States who spent many years in Moscow, Russia, is now located in Peking, China.

Soviet Union

BUCK stated that the delegates to the celebration of the 40th Anniversary of the Russian Revolution were taken to various places in Russia such as the Academy of Sciences, to factories,

etc., and were convinced by specific examples that the Soviets have licked the industrial problems. He said that Sputniks and atomic plants are only some of the examples of this. The academicians lectured to the delegates and said that the Russians are building a hydrogen energy plant and are paying more attention to this than they are to Sputniks.

BUCK said that one got the impression of a new spirit and of a new approach by the Russians to international problems. Each delegate was aware of the supreme confidence of the Soviet Party and Soviet Government in the struggle for peace; and, if necessary, an unlimited confidence in military capabilities. They think that these capabilities will have an influence in the fight for peace.

The Russians also feel that economically they have broken the back of bothersome problems which have held back productivity. The Soviet economy is still undergoing qualitative changes since the decentralization of ministries and productive units. The Communist Party of the Soviet Union is still in the process of convincing some persons, who headed some of the largest industrial institutions, to get out of Moscow and into the outlying districts. They are succeeding in this. Where logic did not succeed, life has convinced many of these leaders to go along with the moving of the institutions out of Moscow. BUCK did not further explain this last statement.

BUCK said that since this qualitative economic change, there has been a spirit of initiative from below among the ranks of the people. Further, the Socialist plan and initiative is now paying off in the development of new techniques. In this regard, BUCK mentioned new methods of production of machine tools and the automatic operation of plants by means of electronics. He also stated that new oil fields have been discovered in the Urals. Since the need of industry and the military for oil is so great, new drilling methods and transportation have been devised.

BUCK stated that the Russians have a new technique for the laying of pipe lines and feeder lines to the trunk lines. He said that the pipe is wound on a spool much as cable is. This pipe is then unrolled and laid a kilometer at a time. Compressed air is then forced through the pipe. The pipe is then severed at a point where it has been previously threaded. It is then fused, not welded, into a single joint. This fusing process is a recent discovery.

BUCK said that he visited the Institute of Electrical Welding and observed this fusing process, which is also used in ship building. He said that the process uses a combination of slag and chemicals, and was told that the fused joint will never break. Further, the process reduces the labor time by one-third. He was told that the process is an improvement on one which was used in the building of the Graf Spee and that a number of United States corporations are trying to get authority to use this process, since it is superior to any in the United States. BUCK also stated that he was told that several American firms also want to use the Russian oil drilling techniques.

In concluding this information on scientific and industrial accomplishments, BUCK said that the Russians have made some real developments. He said they have some of the largest and best cyclotrons in the world and are working on the utilization of power from hydrogen fission.

In regard to the political situation, BUCK said that there is complete unity in the Central Committee of the Communist Party of the Soviet Union (CCPSU); yet, there is more discussion within the Central Committee than ever before. He said that not since before LENIN died has there been so much democratic discussion. BUCK said that he lectured to the Editorial Board of the "Kommunist", which consists of twenty-two people. He talked to them about current events in Canada and the United States. He said that during the question and answer period he got the feeling that there is discussion within the Soviet Union. BUCK also stated that he lectured to the division on history of the Academy of Sciences. He again got the impression that there is a lot of discussion and initiative in the Communist Party of the Soviet Union at the present time and in contrast to the STALIN regime.

International Conference of the
Sixty-Four Communist Parties

BUCK stated that on the second day after his arrival in Moscow, he received a message from OTTO KUUSINEN, who is in charge of most of the international work of the CCPSU. He stated that this message advised him that there may be a conference involving all of the delegations. This would be the first conference involving so many Communist Parties since the Comintern was dissolved. The message stated that there was a subjective desire for a conference at least for the purpose of discussing

the Peace Manifesto which was being planned for issuance. BUCK said that along with this message he received drafts for two documents. One was the draft for the Twelve Party Statement. This had been prepared by the International Department of the CCCPSU, in consultation with the other Parties of the Socialist countries. The other was a draft of the Peace Manifesto. It was prepared by the Polish Workers Party and the Communist Party of the Soviet Union, or by WLADISLAW GOMULKA and MIKHAIL SUSLOV.

BUCK stated that the International Department of the CCCPSU was in consultation with the delegates from the other Communist Parties at all times. BUCK said that he was asked to study the drafts and to offer criticism and amendments, if he had any to offer. These criticisms and amendments would then be translated and read, and then BUCK would be invited to a discussion concerning these criticisms and amendments.

BUCK said that he wrote a series of proposals and then he and [] went to the Draft Commission. He said that some of his proposals were accepted and some were rejected. A proposal for a plebiscite for peace in every country was rejected. He said the original draft of the Twelve Party Statement contained a sentence which said that because the Soviet Union is the first Socialist state, it is the bulwark of the Socialist world; therefore, it is obligatory on the Communist Parties of the world to defend the Soviet Union.

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BUCK said he argued against this statement. He told the Russians that in many countries this would be misinterpreted as protection of another country -- Russia -- and the endangering of the country where a particular Communist Party is located. He argued that when the Canadian Communist Party fights against American imperialism, it is defending the Soviet Union without saying it in so many words.

BUCK said that KUUSINEN disagreed with BUCK's arguments. KUUSINEN asked if it is not the duty of every Communist to defend Socialism. TIM BUCK said he agreed that it was the duty of every Communist to defend Socialism, but this is different from saying that it is the duty of every Communist to defend the Soviet Union, even though it may mean the same thing. BUCK then stated that SUSLOV agreed with him and this idea was modified in the final version of the Twelve Party Statement. It should be noted that BUCK agreed with the idea of defending the Soviet Union, but disagreed on how this idea should be expressed.

BUCK commented that the final versions of both the Twelve Party Declaration and the Sixty-Four Party Peace Manifesto were very different from the original drafts he had seen. He said that this was the first occasion he could remember when the CCCPSU asked for more than just a yes or no answer.

BUCK said that many delegates complained because there was no large conference on the Twelve Party Statement, especially since they had received notice that there might be such a conference.

BUCK said that the following explanation was given for not calling a conference of all delegations in order to formulate the Twelve Party Declaration. BUCK did not identify the person who gave this explanation. He said that it was emphasized that the fundamental struggle in the world at the present time is between systems of society. The course of events in the world is being shaped mainly by this struggle between systems. For example, the danger of war is not something that is beyond control in the sense that war may break out between two imperialist states. The likelihood of that recedes because there is a fight between systems and the social system of states influence world events. Therefore, the Twelve Party Statement must come from the Socialist states which are active participants in world affairs as part of a social system, even though the Communist Parties from the other countries would assist in the formulation of some of the ideas in the Twelve Party Statement.

Furthermore, the Communist Parties outside the Socialist countries should not have to state in Moscow, We subscribe to this declaration. If this subscription is made voluntarily, later it will not be done as participants with governments in the formulation of this statement. Thus, only those Communist Parties which are responsible for governments would sign the Twelve Party Declaration. On the other hand, the Peace Manifesto would be signed by all Communist Parties present, including those in control of governments.

BUCK said that the conference of all Communist Party delegations dealt only with the Peace Manifesto and it was held during the period between November 14-18, 1957. WLADISLAW GOMULKA was the Chairman of the conference. BUCK said that MIKHAIL SUSLOV opened the meeting. SUSLOV said that two Communist Parties were unavoidably not represented at this conference,

and these were the Communist Party of Cyprus and the Communist Party - USA. He also stated that actually sixty-eight Communist Parties were present, but that only sixty-four would be announced as present. SUSLOV stated that the four Communist Parties which were in attendance and would not be announced were the Communist Party of Turkey, the Communist Party of Cuba, the Communist Party of Guatemala and the Communist Party of Iraq.

SUSLOV said that at the height of the Comintern there were forty-three Communist Parties with eleven million members. At the present time, there are sixty-eight Communist Parties represented at this conference, and they have a combined membership in excess of thirty-three million. This increase in the number of Communist Parties and Communist Party members was pointed to by SUSLOV as a measure of the confidence and growth of the Socialist society.

According to BUCK, SUSLOV gave a comprehensive report and all delegates present received a copy of this report. After SUSLOV gave his report, he suggested that the report be used as information and that all written copies of the report should be turned in as soon as the delegates finished reading them. He explained that this would prevent the Capitalist class in the world from pointing to the document and saying that the Communist Party of the Soviet Union ran the conference.

BUCK said that [redacted] of East Germany, obliged SUSLOV and moved that the document be considered as information and not as a documented report.

BUCK stated that no time limit was set for the speakers; however, they were asked to hold down their remarks to ten minutes, with the exception of China, France and Italy, which were given unlimited time, and India, which received extended but not unlimited time. BUCK said that MAO-TSE-TUNG was given unlimited time for his remarks and that he also gave the summary at the conclusion of the conference.

BUCK said that he considered that MAO-TSE-TUNG put over one very important point. MAO-TSE-TUNG said, Let us get away from talking about dangers to peace as though we are on the defense. He emphasized that the tide of events has turned and that the time has passed when imperialism has the sole control of events. The imperialists cannot start a war at will. While we continue to fight for peace, we should place the emphasis

on Socialist economy and give all-out support to the national liberation movements. MAO-TSE-TUNG said that imperialism will be on the defensive before the end of this decade. He then illustrated by facts and figures the material basis of his position that Socialist economy is superior to Capitalist economy. Then MAO-TSE-TUNG went on to say that steel is not the sole dominant of power. The main dominant of power is people. One task is to help people to understand that the emphasis is on national independence, ideology and class differentiations. Then MAO-TSE-TUNG said that the level of industry by itself cannot be decisive. Therefore, it cannot be the dominant of power.

BUCK stated that this type of speech helped to change the tone of the conference. SUSLOV was the spokesman for the CCCPSU, but he identified himself with the thinking of MAO-TSE-TUNG.

Comments of TIM BUCK on the
Conference in Moscow

In answer to a question, BUCK stated that PALMIRO TOGLIATTI was present at the conference and played an active role. He said that TOGLIATTI is well liked as a person by the Russians. He recalled that TOGLIATTI worked for the Comintern in Russia and that he speaks fluent Russian.

BUCK was asked what the attitude of the Russians is as a result of TOGLIATTI's stand on certain important topics. BUCK said that the Italian Communist Party has one of the largest sections in the International Department of the CCCPSU, and he tried to get some answers along these lines from them. BUCK said that they told him that they did not know. BUCK said he replied that this is not so, since the leaders of the Communist Party of the Soviet Union must have an attitude toward TOGLIATTI. BUCK said that he believes that the Russians excuse TOGLIATTI. They think that TOGLIATTI does what he does for tactical reasons and that he is excused for it because tactics require it. BUCK said that TOGLIATTI has to be careful not to alienate [] and his large Socialist Party followers with incorrect tactical approaches. BUCK said he believes that the Russians feel that there are no real differences between themselves and TOGLIATTI, so they tolerate his deviations.

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Then BUCK stated that there is a different attitude toward JACQUES DUCLOS. They expect DUCLOS to be loyal, and the

intimate relationship which exists between the Russians and TOGLIATTI does not exist between the Russians and DUCLOS.

BUCK then stated that another international conference will be held in March, 1958, to launch an international paper, in Prague, Czechoslovakia. He said that the Czech Communist Party delegates spoke up about the need for an international paper, even though SUSLOV had urged caution in regard to this and said that some Communist Parties wanted it while some did not. BUCK stated that this was only one instance of a greater exchange of opinion between the Communist Parties -- that is, the Czechs spoke their opinions regardless of what SUSLOV had said. BUCK said that in his opinion the Communist Party of China generates this type of discussion. BUCK said that TOGLIATTI came out against an international magazine at the conference. While DUCLOS was not in favor of an international magazine, he voted for it. BUCK stated that perhaps DUCLOS felt that the Russians really wanted an international magazine and may have used the Czechoslovakian Party to say so boldly.

Asked if NIKITA KHRUSHCHEV participated in the conference, BUCK said that he did on only one occasion. BUCK stated that a delegate from the Communist Party of Ceylon wanted to know why, in a formal sense, the other Communist Parties could not participate in and endorse the Twelve Party Statement. BUCK stated that KHRUSHCHEV took the floor and repeated some of the arguments of SUSLOV and others. KHRUSHCHEV said, We have to prevent charges of the Capitalist countries that the Communist Parties in those countries are loyal to another country. He said that anti-imperialism and national independence are confused with Communism. Why should you make it harder for yourselves by endorsing this Twelve Party Document publicly at this conference. It would give ammunition to the Capitalists. On the other hand, if you endorse the Twelve Party Statement after you return home, it cannot be said that you did it under force while in Moscow.

International Conference in March, 1958,
in Prague, Czechoslovakia, to Launch
an International Journal

BUCK stated that at the conference of the delegations in Moscow, it was agreed to hold a conference in Prague, Czechoslovakia, during the second week of March, 1958. This conference will discuss the establishing of an international journal or

paper in Prague. It will be a preliminary conference and no advance publicity will be given to the conference.

This conference in Prague will be attended by the twelve Communist Parties which signed the Twelve Party Declaration. It will also be attended by the Communist Party of Italy, the Communist Party of Great Britain, the Communist Party of Belgium, the Communist Party of France, the Communist Party of Sweden, and several Communist Parties from Latin America.

BUCK stated that there was an agreement in principle that the new paper cannot be a duplicate of, "For a Lasting Peace, for a People's Democracy!", since that paper was controlled by one Communist Party--the Communist Party of the Soviet Union. It was pointed out that the word of [redacted] [redacted] was law.

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The Communist Party of the Soviet Union, according to BUCK, proposed that the new international paper be financed by all Communist Parties on a percentage of the cost basis. The smaller Parties will only make a token contribution of one-tenth of one percent of the cost. The preliminary proposal is that the paper have a broad editorial board representing the Communist Parties in both the Socialist and the Capitalist countries. Each Communist Party will not have a representative on the editorial board, but there will be a representative from Asia, Africa, Latin America, etc. There will also be a smaller editorial board and its members will reside in Prague. The members of the smaller editorial board will also act as representatives of their Communist Parties beyond their editorial duties.

When the editorial boards start to function, they will discuss some articles which they will decide they either cannot print in the journal or cannot be printed in their entirety in the journal. For example, they might discuss an article on the United States and decide that portions of the article cannot be printed in the journal. In such a case, they will summarize the article for the journal and send additional information to the various Communist Parties as background material for the reading and studying of the article. In other words, the editorial board will do more than merely discuss articles which will appear in the journal.

Information Pertaining to the Labor
Progressive Party

BUCK stated that upon his return to Russia from China, he was supposed to meet with JANOS KADAR in Hungary; however, he was instructed to return to Canada as soon as possible with the information for the Communist Party - USA. He was told that a courier would be sent to KADAR to get some answers to the matters he wanted to discuss with KADAR.

BUCK stated that he planned to discuss some problems in regard to Hungarian refugees in Canada with KADAR. BUCK said at the time of the revolt in Hungary, at a given point in the fighting, the heads of a faculty at a forestry school in the border town of Sopron (ph) moved the entire faculty and student body into Austria. Some of the students and some of the faculty did not want to leave Hungary, but merely obeyed orders. According to BUCK, planes were waiting for them in Austria and they were flown to British Columbia. Some were put in school, and others were placed in jobs in British Columbia.

BUCK said that there is a lot of dissatisfaction among these Hungarian refugees. Some of them want to go back to Hungary. For a time, the Hungarian policy was not to supply refugees with return fare to Hungary. The refugees had to return on their own resources or on funds supplied by the country to which they immigrated.

BUCK said that [] told him that a number of these Hungarian refugees have been in touch with the Labor Progressive Party in Vancouver, British Columbia, and are asking the Labor Progressive Party for advice on how to return to Hungary. BUCK said that he thinks that KADAR will change the policy and provide funds to permit these refugees to return to Hungary.

BUCK said that the Labor Progressive Party is still under the jurisdiction of the British Section of the International Department of the CCCPSU.

BUCK further stated that he asked the Russians for financial assistance, since the "Canadian Tribune" was in a serious financial crisis. BUCK said that actually he had borrowed between \$8,000 and \$10,000 from the Ukrainians in Canada. BUCK said that the Ukrainians in Canada have an organization

which sends packages to the Ukrainians in the Ukraine. BUCK said that this organization handles hundreds of thousands of dollars each year. The Russians were under the impression that some of this money was going to the Labor Progressive Party. [redacted]

[redacted] of the Ukrainians in the Labor Progressive Party, was with BUCK in Moscow and said at this point. I just gave you over \$8,000. Continuing, BUCK said that [redacted] wanted to increase the price of each package by \$2.50. Further, the Russians thought that the Labor Progressive Party was getting at least \$50,000 a year for this package deal.

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BUCK stated that the Russians told him that the highest salary, an automobile, a chauffeur, a house, a translator, and free cable service will be made available to a correspondent of the "Canadian Tribune" who will also be a representative for the Labor Progressive Party in Moscow. BUCK stated that this is an example of subsidies which the Communist Party of the Soviet Union will make available to other Communist Parties. In other words, they will provide funds through subsidies, royalties or other indirect means, but will not supply funds directly.

BUCK stated that the National Committee of the Labor Progressive Party met on February 15 and 16, 1958. The agenda consisted of a report on the election campaign in Canada. This report was given by LESLIE MORRIS. The only other report was one on the international situation by TIM BUCK. In other words, this was a report by BUCK on his trip to Russia and China.

BUCK stated that [redacted] resigned from the National Executive Committee of the Labor Progressive Party, and were replaced by MORRIS COHEN, of Toronto, and [redacted] of Port Arthur, Ontario.

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BUCK stated that LESLIE MORRIS' report on the election campaign will be published and that BUCK will also have his report published, possibly in the "Marxist Quarterly".

BUCK said that the Labor Progressive Party is still having trouble with the ultra-Left in Quebec, and that the Labor Progressive Party leadership will go into Quebec and "clean up" the ultra-Left.

BUCK stated that [redacted] is not well. He gets about \$100 per month for translating IUMMSW articles from English into French. Outside of this, he is not employed. BUCK stated

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that [] can discuss abstract theories, but an immediate political conflict makes him ill.

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BUCK further stated that CHARLIE SIMS is fighting the Labor Progressive Party. BUCK stated that he expects SIMS to cause him trouble in his campaign for election as a member of the Canadian Parliament.

Information Pertaining to the
Communist Party - USA

BUCK was told that "The Worker" is in financial danger and that EUGENE DENNIS wanted the question of funds from the Communist Party of the Soviet Union for the Communist Party - USA raised with the Communist Party of the Soviet Union. BUCK said that he would mention this in a letter he was sending to Russia by courier on February 27, 1958.

BUCK said that he is convinced that the Communist Party - USA would get a lot of financial assistance from the Communist Party of the Soviet Union. BUCK said that the Communist Party of the Soviet Union feels that the Communist Party - USA needs such help, especially if JOHN GATES, JOE STAROBIN and EARL BROWDER are able to publish a paper in the United States. BUCK said that the Communist Party of the Soviet Union would not want the Communist Party - USA to lose its paper. However, BUCK stated that the Communist Party - USA will have to make proposals so that funds can be more or less transmitted legally in the way of royalties, subsidies, etc.

BUCK stated that about \$8,000 to \$10,000 in royalties is waiting for ALEXANDER TRACHTENBERG in Moscow. BUCK only mentioned JAMES ALLEN [] in regard to these royalties. BUCK stated that he offered to transmit this money from Russia to North America. SUSLOV said that it would be ridiculous. SUSLOV told BUCK that he would endanger everything if he were caught with this much money.

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BUCK then stated that he had learned that over the years, the Communist Party of the Soviet Union gave \$25,000 in royalties to HOWARD FAST. The Russians were under the impression that HOWARD FAST was turning some of this money over to the Communist Party - USA at the time he was receiving it. This matter will not be made an issue by the Communist Party of the Soviet Union.

BUCK again emphasized that the Communist Party - USA must be prepared to give the Communist Party of the Soviet Union concrete proposals in regard to methods of transmitting funds to the Communist Party - USA. He mentioned that one [redacted] of the Labor Progressive Party, has written a book entitled, "Power and the Money -- Who Runs Canada?" He said that this book will be published by the Institute of International Literature in Moscow, and that the author and the Labor Progressive Party will receive royalties from Moscow.

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BUCK stated that one CHIUVIKOV (ph) is in charge of the Institute of International Literature in Moscow. It was CHIUVIKOV (ph) to whom BUCK talked in regard to American royalties for ALEXANDER TRACHTENBERG. BUCK said that he also talked about American royalties with someone in the CCCPSU, but he did not identify this person.

Information Concerning the Sixth World
Festival of Youth and Students and
[redacted]

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BUCK stated that he asked why [redacted] to the Sixth World Festival of Youth and Students, was not permitted to travel to China. BUCK stated he learned that the CCCPSU assigned District Secretaries to the various youth delegations.

It is to be noted that a District in the Communist Party of the Soviet Union is a sub-division of a city. It is similar to a Section in the Communist Party - USA, except that it is much larger and the leaders of a District are also responsible for all government activities in their District.

BUCK stated that the North American delegation to the Sixth World Festival of Youth and Students was assigned to the Stalin District of Moscow. [redacted] of the Labor Progressive Party, went to the Secretary of the Stalin District and told him that [redacted] had to be sent to China. This Secretary made a formal complaint in regard to the bold approach of [redacted] in this matter. By the time the incident was explained, [redacted] had left Russia. BUCK stated that the error was made by [redacted], who should have gone to the International Department of the CCCPSU instead of going to the District Secretary in this matter.

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OFFICE MEMORANDUM *** UNITED STATES GOVERNMENT

TO : DIRECTOR, FBI (100-3-81)
FROM : SAC, CHICAGO (100-33729)
SUBJECT: COMMUNIST PARTY - USA
INTERNATIONAL RELATIONS
INTERNAL SECURITY - C

DATE: 3/5/58

UTMOST CARE MUST BE UTILIZED IN HANDLING AND REPORTING
THE FOLLOWING INFORMATION. SINCE THE VERY NATURE OF THIS INFOR-
MATION TENDS TO DISCLOSE CG 5824-S* AS THE SOURCE THEREOF.

CG 5824-S*, on February 28, 1958, exhibited to SA JOHN E. KEATING a paper bound book consisting of 178 pages in Russian. CG 5824-S* advised that he received this item from TIM BUCK, leader of the Labor Progressive Party (the Communist Party of Canada). CG 5824-S* stated that BUCK said that this is the thesis written for a Ph.D by [redacted] of EUGENE DENNIS. According to BUCK, 20,000 copies of this book were printed in the first edition; however, this is the only copy of this book in North America. The contents of this book were accepted and endorsed by the Communist Party of the Soviet Union, according to BUCK. BUCK gave this book to CG 5824-S* for the purpose of having it personally delivered to EUGENE DENNIS. CG 5824-S* advised that a free translation of the title of this book is, "The Struggle of the Negro for Liberation in the United States".

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5 - Bureau (Encl. 1) (REGISTERED)
(1 - 65-62041) (SASH)

(1 - 100-) (TIM BUCK)

(1 - 100-) ([redacted])

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5 - New York (Encl. 1) (REGISTERED)

(1 - 65-16441) (SASH) (#6)

(1 - 100-86624) (CP-USA, International Relations) (#19-1)

(1 - 100-8057) (EUGENE DENNIS) (#19-1)

(1 - 100-21421) (ALEXANDER TRACHTENBERG)

(1 - 134-91) (NY 694-S*) (P & C) (Info) (#6) (INVES)

3 - Chicago

(1 - A/134-46)

(1 - 65-3888) (SASH)

JEK:kw
(13)

134-91-1273

SEARCHED	INDEXED
SERIALIZED	FILED
MAR 10 1958	
FBI - NEW YORK	

[redacted]

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CG 100-33729

Since this book was paper bound and was already beginning to come apart at one corner, it was impossible to reproduce it in its entirety, without permanently damaging the book. For this reason, only the cover, the index and the first seventeen pages were photostated.

One photostat copy of these reproduced pages is enclosed herewith to the Bureau and New York Division. The Chicago copy is located in Chicago file 100-33729-1A21.

CG 5824-S* has been advised that it was not possible to reproduce the entire book without damaging it. CG 5824-S* stated that he will either ask DENNIS to let him keep the book in order to translate it or will ask that if DENNIS gives the book to ALEXANDER TRACHTENBERG or someone else to translate, that the informant be furnished with a copy of the translation.

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OFFICE MEMORANDUM *** UNITED STATES GOVERNMENT

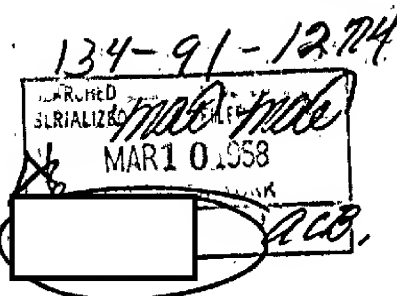
TO : DIRECTOR, FBI (65-62041) DATE: 3/5/58
FROM : SAC, CHICAGO (65-3888)
SUBJECT: SASH
ESPIONAGE - R

EXTREME CAUTION SHOULD BE USED IN HANDLING AND REPORTING THE FOLLOWING INFORMATION, SINCE BY ITS VERY NATURE IT TENDS TO REFLECT CG 5824-S* AS THE SOURCE THEREOF.

CG 5824-S*, on March 3, 1958, orally furnished to SA JOHN E. KEATING the information contained on the following pages. This information was reduced to writing on March 5, 1958.

- 5 - Bureau (REGISTERED)
 - (1 - 100-) (Communist Party of Canada)
 - (1 - 100-) (Political Matters - Russia)
 - (1 - 100-) (TIM BUCK)
- ② - New York (REGISTERED)
 - (1 - 65-16441) (SASH) (#6) (~~INVEST~~)
 - ① - 134-91) (NY 694-S*) (P & C) (Info) (#6) (INVEST)
- 2 - Chicago
 - (1 - A/134-46)

JEK
JEK:kw
(9)



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March 3, 1958.

During the period between February 25 and 26, 1958, TIM BUCK, leader of the Labor Progressive Party (the Communist Party of Canada), stated that while he was in Moscow, Russia, during November and December, 1957, he met a person referred to as "BORIS". BUCK said that BORIS works with OTTO KUUSINEN in the International Department of the Central Committee of the Communist Party of the Soviet Union. BUCK stated that BORIS plans to travel to Canada sometime during the latter part of the spring of 1958 for the purpose of gaining first-hand knowledge of conditions in Canada. BORIS stated that he may spend as much as six months in Canada.

COMMENTS OF CG 5824-S*

It is possible that "BORIS" is not the true name of this individual, or that if it is his true name, he may come to Canada under an assumed name. He may also come to Canada as a part of the Russian diplomatic corps in Canada.

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3/10/58

AIRTEL

TO: DIRECTOR, FBI (61-330)

FROM: SAC, NEW YORK (100-9365)

SUBJECT: WILLIAM Z. FOSTER
IS - C;
SA - 40;
ISA - 50;
CINAL

[redacted] advised on 3/8/58, that FOSTER, while talking to SYLVIA (HOLEO) on this date, told her that "JACK (SHULMAN) found out that LOUIE (WEINSTOCK) has something to do about the house from ALEX (TRACHTENBERG)."

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[redacted] also advised on 3/8/58, that ALEXANDER TRACHTENBERG was a visitor at the FOSTER apartment on this date. He arrived at 3:30 PM., and departed at 4:42 P.M.

Informant advised that FOSTER told TRACHTENBERG of the need for a house in which the FOSTERS and HOLEOS could live together. SYLVIA HOLEO, who was also present during the conversation, stated that it was impossible

- 3 - Bureau (61-330) (RM)
 - 2 - Newark (RM)
 - (1-100-80191) (SYLVIA HOLEO)
 - (1-100-) (MANUEL HOLEO)
 - 1 - New York (100-21421) (ALEX. TRACHTENBERG) (#19-1)
 - 1 - New York (100-9365)
- COPIES CONTINUED ON SECOND PAGE

JLP:nnl
(12)

- 1 - [redacted] Supervisor #19

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mal

134-91-1275

AIRTEL

NY 100-9365

to rent a house. TRACHENBERG said that LOUIE (LOUIS WEINSTOCK) was talking for himself when he told SYLVIA that he would help (acquire a home for the FOSTERS).

TRACHENBERG said "LOUIE will be the center of business. What can be done I don't know. It has to be done through the committee or the organization. I can see [redacted] on Monday and tell him the situation here and then proceed on this basis." TRACHENBERG mentioned several indistinct words relative to LOUIE and then stated "So if he said he's sure about the ten - well, maybe he thought it was ten" (possibly \$10,000).

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SYLVIA commented about a house in Croton, NY, which she said sold for \$25,000. She subsequently stated "If we made a down payment of ten the upkeep of all expenses would be about \$100 to \$200 per month." SYLVIA said the matter of obtaining a house could not be delayed.

FOSTER again commented on the matter of having the indictment dismissed, the matter of application for

COPIES CONTINUED

3 - New York (100-91) (46) (INVEST)
1 - New York (100-) (LOUIS WEINSTOCK) (419-1)
1 - New York (100-) () (419-1)
1 - New York (100-111665) (JACK ANGLER) (419-1)

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AIRTEL

NY 100-9385

a passport, and said his own case should be introduced next month, at the latest.

FOSTER told TRACHENBERG that TIM (BUCK) was back and TRACHENBERG said, "He was sure of that fact." FOSTER said, "and he (BUCK) says that they (Soviets) arranged it for me to come." TRACHENBERG said, "Yeah, I know. I told you about it".

Informant advised that FOSTER, after the departure of TRACHENBERG, told MANUEL ROLO the matter of the prospective trip interfered with the efforts to obtain a house.

After the departure of TRACHENBERG, FOSTER, SYLVIA and MANUEL ROLO engaged in a conversation relative to the time when MANUEL was last in England. SYLVIA asked HELL (FOSTER) if he (MANUEL) asked POLLITT (HARRY) to get him a visa to go further (Russia). SYLVIA said the story is supposed to come from TIM (BUCK) that he (MANUEL) asked for it, got it, but didn't show to pick it up. SYLVIA continued saying the story was to the effect that POLLITT was unable to find MANUEL to give it to him (the visa). Following this, MANUEL stated, "do you know who spread the story? -- JACK CHILDS. Why he did it, if he did it, I don't know. I say I never asked POLLITT, never spoke to him about it, and never suggested it to me."

AIRTEL

NY 100-9363

[redacted] advised on 1/2/58, that FOSTER told SYLVIA HOLAN on that date to contact TRACHENBERG and to tell him to desist from any course of action relative to the house. FOSTER said, "The thing has got to be analyzed - the whole situation - the resources from every direction and then the Party has got to be stimulated in a general way. You can't put the burden of responsibility on them. It will be there but it may create a very bad situation. Will you reach 'Trashy' (TRACHENBERG) and tell him we want to discuss certain aspects of the thing further and suggest that he hold off until we've had a chance to discuss the matter more fully."

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3/14

100-81701

201 East 69th Street
New York 21, New York
March 10, 1958

[redacted] New York District
Immigration and Naturalization Service
United States Department of Justice
70 Columbus Avenue
New York 23, New York

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Re: [redacted] with aliases
[redacted]

Dear Sir:

Reference is made to your letter dated February 24, 1958, in which you requested the identity and availability of the following informants:

T-5 and T-6 in the report of Special Agent [redacted] July 9, 1954, at New York.

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T-12 in the report of Special Agent Martin Bender, October 6, 1955, at New York.

T-1 in the report of Special Agent Martin Bender, April 30, 1956, at New York.

The above informants are not available and their identities cannot be revealed.

Your letter also requested the identity and availability of T-10 in the report of Special Agent Martin Bender, October 6, 1955, at New York. The availability of this informant will be ascertained by this office and you will be advised.

Very truly yours,

EDWARD J. POWERS
Special Agent in Charge

134-91-1226

- 1 - New York (100-81701)
- 1 - New York (134-91) (INVEST)
- 1 - New York (62-8398)

CJQ:rkh
(4)

SEARCHED	INDEXED
SERIALIZED	FILED
MAR 11 1958	
FBI - NEW YORK	

um

3/13

3/11/58

AIRTEL

TO: DIRECTOR, FBI (100-3-69)
FROM: SAC, NEW YORK (100-80641)
SUBJECT: CPUSA-ORGANIZATION
IS-C

SINAL

NY 694-S* advised on 3/10/58 that [redacted] CP headquarters, advised him on 3/10/58 of the following: a letter of resignation from the CP National Committee has been received from [redacted] (Los Angeles CP right wing revisionist); JACK SHULMAN has been temporarily placed in charge of finances for the CP national office; next National Executive Committee meeting will be Wednesday, 3/12/58.

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POWERS

- 3 - BUREAU (100-3-69)(RM)
- 2 - LOS ANGELES (100-[redacted])(AM, RM)
- 1 - NEW YORK (100-111666)(JACK SHULMAN)(19-1)
- 1 - NEW YORK (134-91)(CIPU)(Inves.)
- 1 - NEW YORK (100-80641)(19-1)

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FJS:RC (19)
(9)

1 - Sup. [redacted] 19

134-91-1227

SEARCHED INDEXED
SERIALIZED FILED
MAR 11 1958

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[redacted]

3/14

Office Memorandum • UNITED STATES GOVERNMENT

TO : SAC, NEW YORK(100-78633)

DATE: 3/11/58

FROM : SA [REDACTED]

SUBJECT: ISIDORE GIBBY NEEDLEMAN, was
IS-R, ISA of 1950

On 3/11/58, NY 694-S* was asked whether additional info had come to his attention indicating that NEEDLEMAN was involved in espionage or intelligence work. NY 694-S* orally advised the writer that no additional information in this regard had come to his attention. The informant said, however, that admissions made to him by NEEDLEMAN re the latter's part in the operations of the [REDACTED] brothers had convinced him that NEEDLEMAN had, in the past, acted as a Soviet espionage agent.

① NY 134-91(Inves.)6
1-NY 100-78633
AB:
(2)

134-91-1278

SEARCHED	INDEXED
SERIALIZED	FILED
MAR 14 1958	
FBI - NEW YORK	
[REDACTED]	948

b6
b7Cb6
b7Cb6
b7C

3/11/58

O F F I C E M E M O R A N D U M * * * U N I T E D S T A T E S G O V E R N M E N T

TO : DIRECTOR, FBI (100-3-102) DATE: 3/11/58

FROM : SAC, CHICAGO (100-34108)

SUBJECT: COMMUNIST PARTY - USA
FUNDS (RESERVE FUND)
INTERNAL SECURITY - C

UTMOST CARE MUST BE UTILIZED IN HANDLING AND REPORTING THE FOLLOWING INFORMATION, SINCE BY ITS VERY NATURE IT TENDS TO DISCLOSE CG 5824-S* AS THE SOURCE THEREOF.

CG 5824-S*, on March 8, 1958, orally furnished to SA JOHN E. KEATING the information contained on the following page. In addition to the information on the following page, CG 5824-S* also advised that on March 7, 1958, [redacted] asked CG 5824-S* if he knew of any reason why, because of his other activities, the person identical with NY 694-S* could not serve on a committee which would deal with the national reserve fund of the Communist Party - USA. This information was reduced to writing on March 10, 1958.

2 - Bureau (REGISTERED)

1 - Detroit (100-13740)(HELEN WINTER)(REGISTERED)

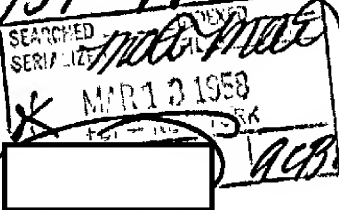
⑦ - New York (REGISTERED)

- (1 - 97-169)(Publishers New Press)(#7-2)
- (1 - 100-128861)(CP-USA, Funds)(Reserve Fund)(#19-1)
- (1 - 100-23825)(BENJAMIN DAVIS, JR.)(#19-1)
- (1 - 100-8057)(EUGENE DENNIS)(#19-1)
- (1 - 100-27452)[redacted](#19-1)
- (1 - 100-19679)(ISADORE WOPSY)(#19-1)
- (1 - A/134-91)(NY 694-S*)(P & C)(Info)(#6)(INVES)

3 - Chicago

- (1 - A/134-46)
- (1 - 100-3470)(MORRIS CHILDS)

JEK:kw
(13)



March 8, 1958

EUGENE DENNIS was heard to state on Thursday, March 6, 1958, that he wanted MORRIS CHILDS and HELEN WINTER to get together with ISADORE WOFSEY and audit WOFSEY's reserve fund account for 1957. It is expected that this audit will take place sometime between March 20 and 22, 1958.

ISADORE WOFSEY stated on March 7, 1958, that he is not happy with the new leadership of the Communist Party - USA. He said that the supporters of the Right wing should not have been excluded from the leadership. WOFSEY stated that he believes that the situation in the Communist Party - USA is bad. He also said that he is now sixty-three years of age and that he cannot continue to work as he has in the past. He said that he has served notice to the leadership of the Communist Party - USA that he wants to quit his present assignment and that they should start looking for a replacement to take over the reserve fund operation. WOFSEY stated that he will not run out on the leadership, but that he has told them that he will not continue this assignment beyond Labor Day.

WOFSEY complained that in some instances where the reserve funds were placed with people for safe-keeping, they will not return these sums and are claiming that it belongs to them.

WOFSEY stated that he is trying to wind up the business affairs of the "Daily Worker" and believes that it will take another month to do this. Then WOFSEY said that he wanted to dispose of some property in which the Party has an interest. In this regard, he mentioned the building where "The Worker" is located.

WOFSEY also stated that he had been requested by BEN DAVIS and [redacted] to attend a meeting of the New York Communist Party District Committee. WOFSEY said that he told them that if his work was to be a topic for discussion at this meeting, then he would have nothing to say. He said he told them that he would only discuss the reserve fund with EUGENE DENNIS and with the National Organization Secretary, whoever that person may be at any given time. WOFSEY said that they finally agreed that he would not have to discuss the reserve fund at a District Committee meeting.

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OFFICE MEMORANDUM

UNITED STATES GOVERNMENT

3/18

TO : SAC, LOS ANGELES (100-4486) DATE: 3/13/58

FROM : SAC, NEW YORK (100-95704)

SUBJECT: DOROTHY HEALEY
IS-C

Identity of Informant NY 694-S*
Reliability Who has furnished reliable
information in the past
Date 2/20/58
Received by SA [REDACTED]

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b7C

NY 694-S* advised that in a conference with
BILL LAWRENCE (WILLIAM LAZAR) on 2/20/58, the latter
furnished the following information.

1 - Los Angeles (100-4486)(RM)
1 - Detroit (100-13420)(CARL WINTER)(RM)
1 - New York (100-128814)(CP, USA NY DIST., ORG.)(#19-2)
1 - New York (100-467)(WILLIAM LAZAR)(#19-2)
1 - New York (100-18673)([REDACTED])(#19-2)
1 - New York (100-50800)(GEORGE BLAKE CHARNEY)(#19-2)
1 - New York (100-99369)([REDACTED])(#12-11)
1 - New York (100-129029)(WILLIAM ALBERTSON)(#19-2)
1 - New York (100-128314)(CP, USA NY DIST. FUNDS)(#19-1)
1 - New York (100-80641)(CP, USA ORGANIZATION)(#19-1)
1 - New York (100-27452)([REDACTED])(#19-1)
1 - New York (100-23825)(BENJ. J. DAVIS, JR.)(#19-1)
1 - New York (100-52959)([REDACTED])(#12-11)
1 - New York (100-26603-043)(CP, USA NY DIST. KINGS CO.)(#12-11)
1 - New York (100-84275)(WILLIAM PATTERSON)(#19-2)
1 - New York (100-50983)([REDACTED])(#19-2)
1 - New York (100-54591)([REDACTED])(#12-13)
1 - New York (134-91)(#6)(INVS)
1 - New York (100-95704)(#7-6)

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JER:MIM
(19)

134-91-1280

SEARCHED	INDEXED
SERIALIZED	FILED
#1 MAR 13 1958	
FBI - NEW YORK	

[REDACTED]

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NY 100-95704

At a NY State CP Staff meeting on 2/19/58, LAWRENCE, [redacted] and GEORGE BLAKE CHARNEY submitted their resignations as CP functionaries. These resignations will be confirmed at a NY State CP Committee meeting scheduled to be held on or about March 1st, 1958. LAWRENCE, [redacted] and CHARNEY will continue, however, as CP members.

LAWRENCE believes that he will be succeeded by [redacted] of the Brooklyn CP. He is not certain as to who will replace GEORGE BLAKE CHARNEY but he knows that BILL ALBERTSON is anxious to succeed CHARNEY. ALBERTSON has been offered [redacted] position as NY State CP Organizational Secretary but would rather continue as Labor Secretary than become [redacted] successor.

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The NY State CP at the moment has no serious financial problems, having enough money to continue operations for the next six months.

At the National Executive Committee meeting on 2/14/58, LAWRENCE appeared before a subcommittee consisting of [redacted] BEN DAVIS, DOROTHY HEALEY, and CARL WINTER. [redacted] was the chairman of the subcommittee. LAWRENCE charged [redacted] of the Brooklyn CP with withholding a quarter of a million dollars in CP funds. LAWRENCE demanded that [redacted] be brought before the committee and stated that he (LAWRENCE) was prepared to present to the subcommittee "exact figures, dates, and receipts..." as evidence of his charges against [redacted] told LAWRENCE that all the latter had was merely information and not evidence. He refused to summon [redacted] to appear before the subcommittee and also refused to allow LAWRENCE to present his evidence to the subcommittee. The only member of the subcommittee who opposed [redacted] position was WILLIAM PATTERSON, who sat in a "ruling" position. *ONE* nothing further was done about the matter. *MEETING BUT NOT AS A MEMBER.*

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According to the informant, LAWRENCE, referring again to his resignation as a CP functionary, which, he said would be effective on March 1st, 1958, stated that his letter

NY 100-95704

of resignation reflected that he was resigning because he anticipated being fired by the New York State CP Committee. He was told at the NY State CP Staff meeting on 2/19/58, that, if he had not resigned, he would have been fired.

Referring to the \$25,000 which [redacted] allegedly is withholding from the CP, LAWRENCE described the said sum as New York State CP reserve fund money originally given to [redacted] to hold as a depository and was subsequently given by her to [redacted] after the latter returned from the underground.

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LAWRENCE said that the most recent statement made by [redacted] and his sister regarding the \$25,000 was that, "If the Party is straightened out...", they may return the money to the Party.

In the event it becomes necessary to disseminate this information, care should be taken to protect the informant's identity.

DIRECTOR, FBI (100-36447)

3/14/58

SAC, NEW YORK (100-96773)

VIRGINIUS FRANK COE, was.
ESPIONAGE - R

Reference NY letters dated 2/17/58, and 2/26/58, captioned "NY 694-S", containing information regarding a business enterprise to conduct trade with Red China, and reflecting the captioned subject to be active in the said enterprise. Reference also Bulet dated 2/27/58, captioned "NY 694-S", containing instructions concerning this matter.

After receipt of referenced Bulet, the NYO instructed NY 694-S to tell [redacted] that the informant would have to have complete information regarding this enterprise before he could discuss the matter with TIM BUCK, who would demand to know all details thereof. [redacted] agreed to obtain the necessary information before NY 694-S should next go to Canada.

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On 3/12/58, in connection with another matter, the Bureau instructed NY 694-S to go immediately to Chicago, and thence to Canada. Before leaving NYO, NY 694-S contacted [redacted] telling the latter that personal business required his going to Canada, and asking [redacted] for the information regarding the China trade enterprise which NY 694-S required for transmittal to TIM BUCK. [redacted] stated that he personally had no further information to give NY 694-S, that he had not had an opportunity to obtain from FRANK COE the necessary information, but that he would telephone to COE immediately, requesting COE to join him and the informant at once for a discussion of the matter.

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- 2 - Bureau (100-36447)
- 1 - New York (100-78613) (IRIDORE G. NEWMAN) (6)
- 1 - New York (100-83051) (MILTON FRIEDMAN) (6)
- 1 - New York (100-21785) [redacted] (6)
- 1 - New York (105-1322) (CHAO TUNG CHAI) (1)
- 1 - New York (105-1329) (Survey of Chinese Communist Activity in the US) (1)
- ① - New York (134-91) (Inves) (6)
- 1 - New York (100-96773)

CD:md
(9)

md

134-91-1281 *fb*

NY 100-96778

Pursuant to [] telephonic request, COE joined [] and NY 694-S in a restaurant for a twenty minute discussion, which was limited by reason of the informant's having to leave for Chicago shortly thereafter.

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According to COE, his representative made first contact with CHAO TING CHI in December, 1957. COE described CHI as "having not only the foreign trade job in the Chinese Government, but also the job of heading a government committee to open trade with countries not now trading with China." COE said that since December, CHI has conferred on two other occasions with a representative of COE (COE did not identify his representative, nor did he indicate whether the same individual conferred with CHI on each occasion).

CHI told COE's representative that there should be "an immediate organization of a group that eventually will trade with China." CHI expressed the opinion that "the markets will open up in the next couple of years." He said that he desired to concentrate on opening a Canadian market first because "if the Canadian market was opened, the pressure on the USA would force the USA to open the market too."

CHI also stated that he desired that "trustworthy individuals" in Canada set up an organization similar to the one in the USA with which COE is associated. COE stated that, pursuant to CHI's instructions, COE should be the co-ordinator of both the American and Canadian groups. In instructing NY 694-S to furnish this information to TIM BUCK, COE stated that, inasmuch as BUCK only recently was in China, BUCK might have received independent instructions regarding this matter. In the event BUCK already had received instructions to set up a Canadian group for trade with China, COE said BUCK should furnish him with all information with respect thereto.

COE instructed NY 694-S to tell BUCK that the American group as yet is "only a skeleton organization in an embryonic stage"; that at this time he could not specify

NY 100-25778

the items of trade in which his group would be interested, and that at present he could not furnish BUCK with the names of those in his group, although he eventually he would. At the present time, he said, names are unimportant. (It should be noted that NY 694-S had informed COE that BUCK would require the information which COE declined to give).

COE told NY 694-S to furnish the above information to BUCK together with information previously furnished to NY 694-S by [redacted]. The informant also was told to tell BUCK that, since this matter would require discussion between the American group and the Canadian group, and since COE could not go to Canada, BUCK should send a representative of the Canadian group - as soon as such a group should be formed - to confer with COE in New York. COE said that if this could not be done, he would send a representative to Canada to confer with the Canadian group.

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COE also instructed NY 694-S to tell BUCK that this matter is expedite - that "during the past two weeks the Chinese have inquired twice why I have not done anything yet about contacting the Canadians." He said that he previously had told the Chinese that he would send a representative to discuss the situation with TIM BUCK (NY 694-S).

Since the information herein, by its nature, tends to identify NY 694-S as the source, it is recommended that no dissemination outside the Bureau be made at this time.

SAC, New York (100-128861)

March 17, 1958

Director, FBI (100-3-102)

COMMUNIST PARTY, USA
FUNDS
(RESERVE FUNDS)
INTERNAL SECURITY - C

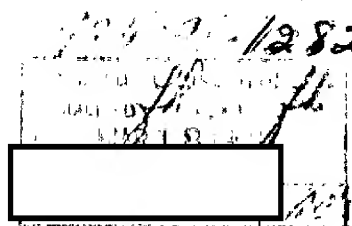
ReCGlet 3-11-58, copies of which were furnished
New York.

It is noted that the possibility definitely exists that NY 694-S* may be offered a position on a committee dealing with the Party's national reserve fund. Obviously, the presence of one of our informants on such a committee would undoubtedly enable us to obtain a considerable amount of valuable information regarding the Party's reserve fund operations. In the absence of any reasons to the contrary, NY 694-S* should be instructed and encouraged to accept this position if it is offered to him. Consideration should also be given to any steps which the informant can take which would enhance the possibility of his being selected by the Party for appointment to such a committee.

With regard to the forthcoming audit of Isadore Kofay's reserve fund account by CG 6824-S* and Helen Winter, the possibility exists that additional valuable data regarding this phase of Party activities including names of contributors and identity of Party business ventures will become available to our informant. All pertinent information which he obtains as a result of this audit should, of course, be promptly forwarded to the Bureau.

2 - Chicago (100-34108)

ReNY in 100 - 128861
CP Funds Funds
35



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3/18/58

AIRTEL

TO: DIRECTOR, FBI (100-428091)

FROM: SAC, NEW YORK (100-134637)

SOLO. IS - C.

NY 694-S advised on 3/18/58 that he returned from Toronto on evening of 3/17/58 with following message from Tim Buck to CG 5824-S*:

Buck was most happy to receive the Cuban CP documents sent to him from CG 5824-S* through NY 694-S*.

After receiving CG 5824-S*'s report concerning the feasibility of going abroad via Mexico or Brazil, Buck stated there was no way whereby he could make arrangements in Canada for the immediate departure of CG 5824-S*. When NY 694-S* told him that efforts are being made in USA to make such arrangements, Buck said it would be best for the Chicago informant to obtain an American passport. Buck said he recently discussed subject of departure points from Latin American countries with a Russian in Canada, and the latter had informed him that the Soviets currently are conducting an investigation of this matter in various Latin American countries. Despite what the Soviet investigation may reflect, Buck felt the best departure point is New York, and that CG 5824-S* should travel on an American passport.

- 3 - Bureau (100-428091) (RM)
- 1 - Chicago (100-) (RM)
- 1 - NY 65-16441 (SASH) (6)
- 1 - NY 134-91 (INVS) (6)
- 1 - NY 100-134637

ACB:RAA

(9)

- 1 - Supr. [redacted] #19
- 1 - Supr. [redacted] #6

134-91-1283

SEARCHED	INDEXED
SERIALIZED	FILED
APR 1 1958	
FBI - NEW YORK	

[redacted]

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Buck estimated that CG 5824-S* and his wife would need approximately \$1,300 for the trip to Moscow. In connection therewith, NY 694-S* told Buck that CG 5824-S* would negotiate a ninety-day loan to finance the trip, and inquired whether the Soviets would reimburse the informant for the money spent. Buck replied that the Soviets definitely would reimburse CG 5824-S*, and stated he was so certain of this that he was willing to give his personal guaranty to that effect.

In discussing possible points of departure, Buck said Montreal at this time of year is too "barren" (devoid of traffic), and that departure from there would require that CG 5824-S*'s passport be stamped, reflecting Montreal as the point of departure.

Buck stated it would be best that, in his passport application, CG 5824-S* list the following as countries he desires to visit: England, Spain, France, The Netherlands, and Italy. He said it would be wise to avoid the Scandinavian countries at this time of year since there would be comparatively little traffic in those countries.

Buck said "floating visas" and the name and description of the contact who would meet CG 5824-S* and his wife in Moscow could be obtained in England or in France. Buck, however, strongly suggested that the visas be obtained in London for two reasons: (1) CG 5824-S* would avoid language difficulties in London; and (2) there is a direct flight from London to Moscow.

Buck advised against obtaining visas in France because (1) the French CP is difficult to deal with since it is too bureaucratic, and (2) because there is no direct flight from France to Moscow. From Paris CG 5824-S* would have to fly to Prague, where he would encounter the difficulty of making additional arrangements concerning entry and departure at Prague.

Buck mentioned that to avoid personal appearances at the Soviet consulates in England or France, CG 5824-S* could enlist the assistance of [redacted] in London and Duclos in Paris. When NY 694-S* reminded Buck of the secrecy of CG 5824-S*' mission, Buck agreed that CG 5824-S* would have to apply for the visas in person.

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Buck said he would notify the Soviets immediately of the status of the situation, and indicate the possibility that CG 5824-S might leave for Moscow soon. In that connection, Buck requested two weeks notice of CG 5824-S*' departure date so that a courier might convey this info to Moscow. The Soviets, he said, would require sufficient notice to allow them "to clear the way for visas in other countries." The courier could be a "regular courier" (diplomatic courier), or "someone" whom the Canadian CP will send to Moscow to attend the 13th Komsomol Congress on April 21, 1958. This individual from the Canadian CP will leave Canada on April 10 and will arrive in MOSCOW on April 12.

Buck said he desired CG 5824-S* to be informed that the Soviets request that a "youth delegate" from the CPUSA - [redacted] or "someone like him" - attend the aforementioned 13th Komsomol Congress in Moscow on April 21, 1958. If it is agreeable to the CPUSA, this "youth delegate" could leave from Canada for London on April 10 with the Canadian delegate to the Congress. The two of them could join the British delegate to the said Congress, and travel with him to Moscow. (NY 694-S* suggests that CG 5824-S*'s departure be timed to avoid meeting these individuals en route to Moscow.)

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Buck said that CG 5824-S* should furnish him as soon as possible the names and numbers that will appear on the passports of CG 5824-S* and the latter's wife. Buck said he strongly advises that CG 5824-S* go to Peking for ten days. In reply to a question from NY 694-S* whether the Soviets would approve of CG 5824-S*' going to Peking,

- 4 -

Buck said, No question! They (the Soviets) would have no objection.

Buck said CG 5824-S* should be told that in Moscow he would have a most comfortable apartment - with personal servants - in the neighborhood of the "Dynamo" (ph) Stadium. When he is busy with "the brass," his wife would have excellent attention.

NY 694-S* advises that as soon as is convenient he will furnish info from Tim Buck not related to instant matter. The Bureau and Chicago will be advised re these matters by separate communication.

POWERS

5/7
SAC, NEW YORK (100-54637)

SA [REDACTED] #6

[REDACTED]
IS-C

Source
Reliability

NY 694-S (protect)
Who has furnished reliable information
in the past

Date of Activity
Date Received
Received by

3/7/58
3/10/58

SA [REDACTED]

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b6
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NY 694-S advised that according to [REDACTED] until recently CPUSA National Office treasurer and administrator, the latter recently resigned from that position, and in the future will be merely a rank-and-file member of some local CP club.

Regarding the financial situation at the NO, [REDACTED] said, "They will manage to get by if they don't expand the payroll". [REDACTED] also stated that "everybody" at the NO was contacting as many people as possible in an effort to obtain money for the Party.

[REDACTED] said that he is seeking a position as a salesman of medical supplies, and that until he obtains such a position, he will continue to receive "severance pay" from the Party.

- 2
1-New York (134-91) (P&C) (Inves) #6
1-New York (100-74560) (CPUSA-Funds) #19
1-New York (100-54637)

ACB:img
(3)

134-91-1284

SEARCHED	INDEXED
SERIALIZED	FILED
APR 11 1958	
FBI - NEW YORK	

[REDACTED]

b6
b7C

SAC, NEW YORK (100-74560)

3/20/58

SA [REDACTED] #6

b6
b7C

CPUSA-FUNDS
IS-C

Source	NY 694-S* (protect)
Reliability	Who has furnished reliable information in the past
Date of Activity	3/4/58
Date Received	3/7/58
Received by	SA [REDACTED]

On 3/7/58, NY 694-S* reported that in a conference on the aforesaid date with [REDACTED] who is active in the CP Reserve Fund operations, [REDACTED] advised as follows:

On 3/4/58, ISIDORE WOFSEY, who is in charge of "outside" CP fund operations, consulted [REDACTED] concerning the latter's attempts to obtain money from CP donors whom [REDACTED] had been assigned to contact. [REDACTED] told WOFSEY that he had no success in obtaining money from these individuals.

b6
b7C

WOFSEY told [REDACTED] that with the exception of the rotary press, all other "Daily Worker" machines were being sold, money from the sale thereof being used to pay "Daily Worker" creditors.

According to WOFSEY, to continue printing the "Worker" will require \$2,000.00 per week, \$800.00 for printing the said paper, and between \$800.00 and \$900.00 for salaries of editorial and administrative personnel. The cost of office rent and mailing constitutes the balance of the \$2,000.00 per week needed to publish the paper.

WOFSEY further stated that "after things are straightened out"

- ③ New York (134-91) (P&C) (Inves) (6)
- 1-New York (100-21785) [REDACTED] (6)
- 1-New York (100-19679) (ISIDORE WOFSEY) (19)
- 1-New York (97-169) (Publishers' News Press) (7-2)
- 1-New York (100-128861) (CPUSA-Funds-Reserve Fund) (19)
- 1-New York (100-74560) (19)

b6
b7C

ACB:img
(6)

134-91-1285

SEARCHED.....	INDEXED.....
SERIALIZED.....	FILED.....
MAR 20 1958	
FBI - NEW YORK	

NY 100-74560

the National Office income may approximate \$2,000.00 or \$2,500.00 per month. He said that "all the guys from the National Office are out looking for money".

WOPSY indicated to [] that he was anxious to be relieved of his present duties, but that he would wait until the Party should decide to relieve him of his assignment.

b6
b7C

Supma 3/14

3/13/58

AIRTEL

- SAC
- DIV. 1
- DIV. 2
- DIV. 3
- DIV. 4
- SEC. 1
- SEC. 2
- SEC. 3
- SEC. 4
- SEC. 5
- SEC. 6
- SEC. 7
- SEC. 8
- SEC. 9
- SEC. 10
- SEC. 11
- SEC. 12
- SEC. 13
- SEC. 14
- SEC. 15
- SEC. 16
- SEC. 17
- SEC. 18
- SEC. 19 b6
- SEC. 20 b7C

TO: DIRECTOR, FBI (100-3-102)
FROM: SAC, NEW YORK (100-128861)
SUBJECT: CPUSA-FUNDS (RESERVE FUNDS)
IS-C

CINAL

NY 694-S* reported on 3/11/58 that he had a conference on 3/11/58 with [redacted] CPUSA Organizational Secretary, who discussed the following:

[redacted] stated he had requested the conference with NY 694-S* to discuss the CP reserve fund (secret fund) operation, which he described as presently "a shambles". He said that in view of the informant's close association in the past with WILLIAM WHIMER (deceased) in the said operation, he desired NY 694-S* to prepare a report containing constructive criticisms of the present reserve fund operation.

[redacted] stated that he would welcome any suggestions NY 694-S* might make regarding a new method of operating the reserve fund. He mentioned that "many people have misappropriated money and many donors have been lost". [redacted] indicated that he had consulted LEON JOSEPHSON concerning this matter, and suggested that NY 694-S* discuss it with JOSEPHSON. Immediately after mentioning JOSEPHSON, [redacted] said that he would like to get some ideas about "business", and that he was particularly interested in "import businesses".

- 4 - BUREAU (100-3-102)(RM)
- (1 - 100-3-69 (CPUSA-ORGANIZATION))
- 1 - NEW YORK (100-80641)(CPUSA-ORGANIZATION)(19-1)
- 1 - NEW YORK (134-91)(CIPH)(6) / INVC (19-1)
- 1 - NEW YORK (100-27452) [redacted] (19-1)
- 1 - NEW YORK (65-34)(LEON JOSEPHSON)(12-14)
- 1 - NEW YORK (100-19679)(ISADORE WOPSY)(19-1)
- 1 - NEW YORK (100-128861)(19-1)

AGB:HC (6)
(11)

134-91-1286

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6

PAGE TWO

NY 100-100154

Maintaining again the matter of misappropriations, [redacted] said that in the future no individual like WILLIAM SMITH would have exclusive control of the reserve fund or of large sums of money. He remarked that it was tragic that SMITH had died, "leaving so many unanswered questions". According to [redacted] "each person in the Medical Office like myself had a kind of about 30 dollars to control. So far we have not succeeded in getting any money. [redacted] attributed the failure to obtain money from donors to "these stories of misappropriations". He stated that in that connection "the case of CHARLES BROWN has not been resolved as yet". He said also that it was difficult to resolve such cases when people like JAMES SCHANE and LOREN were involved.

[redacted] stated that WILLIAM SMITH had requested to be relieved of his duties in the reserve fund operation. "SMITH", he said, "is not in agreement with the CP situation, and will not go out to look for new money. He is willing, however, to hold and operate the funds on hand until he quits".

[redacted] then told NY 694-S* that he was unable to receive the informant's report on the reserve fund as soon as possible, and requested that NY 694-S* investigate therein the names of all donors whom the informant had contacted in the past. NY 694-S* told [redacted] that he would furnish such a report within the next four or five weeks.

[redacted] then said he desired to maintain liaison with the Canadian CP through NY 694-S*, particularly with respect to organizational and trade union matters. He said that when NY 694-S* was sent to Canada, the informant should tell the Canadian CP that if they had any information or questions regarding organizational or trade union matters, they should transmit them to [redacted] through NY 694-S*. He said he would do likewise. He instructed the informant to tell the Canadians that the CP Medical Office situation is better than it was, but that improvement is delayed on account of SMITH's current illness. He said he anticipated that SMITH would not be active for the next two weeks, and that medical reports indicated that SMITH eventually would need surgery.

Before terminating the conference, [redacted] suggested that NY 694-S* give some thought to persons who might be approached

PAGE THREE

NY 100-100051

as potential donors. He said he was anxious not only to reactivate old donors but to develop new ones.

Summarizing the above, it is noted that NY 694-S* plans to give [] the names of all persons whom he recalls as having donated money to the CP in the past. It is also noted that the Bureau is currently conducting a program of interviewing past and present CP donors, most of whom are past contacts of NY 694-S* and will be on the list he submits to []

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*NY 694-S** It appears the security of NY 694-S* as an informant will be seriously jeopardized, if the Party starts a program of immediate recruitment of these donors for funds, while at the same time the Bureau is attempting interviews with these donors.

In view of the above development, the NYO recommends that the Bureau suspend the CP donor interview program at this time and consider placing it in temporary abeyance or at least curtailing it, so that the danger of exposing NY 694-S* would be minimized.

PAGE

3/20

DIRECTOR, FBI (100-3-4)

March 18, 1958

SAC, CHICAGO (100-20769)

COMMUNIST PARTY - USA
NEW YORK DISTRICT
INTERNAL SECURITY - C

Re New York letter dated March 5, 1958, captioned
as above.

On March 13, 1958, NY 694-S* and CG 5824-S* orally
advised SA JOHN E. KEATING that no information has come to
their attention to the effect that GEORGE BLAKE CHARNEY has
resigned from the National Committee of the Communist Party -
USA.

2 - Bureau (REGISTERED)

③ - New York (REGISTERED)

(1 - 100-128814) (CP-USA, New York District, Organization) (#19-2)
(1 - 100-50806) (GEORGE BLAKE CHARNEY) (#19-2)
(1 - A/134-91) (NY 694-S*) (P & C) (Info) (#6) (INVEST)

2 - Chicago

(1 - A/134-46)

JEK:kw
(7)

134-91-1287
Jb Jb
[Redacted Box] [Redacted Box] [Redacted Box]
Jb

b6
b7C

SAC, NEW YORK (100-70303)

3/20/58

SA [REDACTED]

b6
b7C

TWELFTH-THIRTEENTH REALTY
CORPORATION
IS-C

Source	NY 694-S* (protect)
Reliability	Who has furnished reliable information in the past.
Date of Activity	3/7/58
Date Received	3/7/58
Received By	SA [REDACTED]

b6
b7C

Reference Bulet 2/26/58, requesting that NYO
informants be interrogated concerning their knowledge
of the captioned corporation.

NY 694-S, on 3/7/58, furnished the following
information:

In 1930, or about that time, when the CP sold
its headquarters at Union Square, it used the money
derived from the sale for the purchase of the building
operated now by the Twelfth-Thirteenth Realty Corporation.
The late WILLIAM WEINER, who at that time was in charge
of the CP Reserve Fund (secret Party fund), advised
NY 694-S, that he had negotiated the purchase of the
new building.

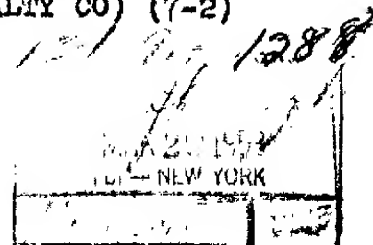
[REDACTED] CP accountant, prepared quarterly,
or semi-annually, financial reports concerning the
aforesaid corporation. NY 694-S, frequently saw such
reports on WEINER'S desk.

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1- New York (134-91) (P&C) (INWES) (6)
1- New York (100-128861) (CPUSA-FUNDS) (RESERVE FUND) (12)
1- New York (100-94165) [REDACTED] (12-14)
1- New York (100-107834) (ABBOTT AND ADAM REALTY CO) (7-2)
1- New York (100-70303)

b6
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ACB:ptp
(5)



NY 100-70303

If the said building was in need of repairs, the CP furnished the money therefor, giving it to [redacted] who operated the building, through either the CP National Office, the NY State CP Office, the "Daily Worker", the "Morning Freiheit", or the P & D Printing Company, all of which were tenants in the building. On occasion, NY 694-S, acted as WEINER'S agent in ~~conveying~~ money to one or the other of the above-mentioned tenants of the building for transmittal to [redacted]

b6
b7C

With respect to who besides himself might know of the CP's control of the Twelfth-Thirteenth Realty Corporation, NY 694-S, suggested [redacted] partner in the realty firm [redacted] in 1945 or 1946, or about that time, [redacted] acting as a front for the CP, had an ostensible interest in the building. [redacted] reportedly a former CP member, worked closely with WEINER in this, and similar, operations.

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NY 694-S, recalled that as agent for WEINER he gave money to [redacted] for the purchase of a house in Jackson Heights, to be occupied by CP functionaries JACK KLING and MAX WEISS.

NY 694-S, is of the opinion that [redacted] partner [redacted] was aware of the fact that [redacted] was being used by [redacted] as a front for the CP in the operation and control of Twelfth-Thirteenth Realty Corporation. [redacted] so far as NY 694-S knows, was, and is, and anti-Communist.

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The informant emphasized that WEINER'S operations with [redacted] very likely were known to no one but WEINER, the informant, and whomever in the CP top leadership WEINER reported to that time. In the informant's

NY 100-70303

opinion, to reveal to [] that his association with WEINER and the CP is known to the Bureau might jeopardize the security of NY 694-S. An approach to [] despite the latter's anti-Communist attitude, also might be [] since [] might discuss the matter with []

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SAC, NEW YORK (100-21785) (6)

3/24/58

SA [REDACTED]

[REDACTED]
IS-R

b6
b7C

Source
Reliability

Date of Activity
Date Received
Received By

NY 694-S (protest)
Who has furnished reliable information
in the past.

3/12/58
3/12/58

SA [REDACTED]

NY 694-S advised on 3/12/58 that on the aforesaid
date [REDACTED] told him the following:

b6
b7C

[REDACTED] expects to act as purchasing agent for "individual
Russians" who are interested in obtaining household articles such
as furniture, etc. He has talked to Amtorg officials about this
assignment, and they have assured him that he could develop a
lucrative business in making personal purchases "for people
coming from and going to Moscow."

In the event that this business proves lucrative, [REDACTED]
would like to make NY 694-S's office his headquarters for this
business, and to install his own telephone there. Since the
success of such a business at the moment is problematical,
[REDACTED] contacted ISIDORE "GIBBY" NEEDLEMAN and requested permission
to receive telephone calls for the next thirty days at NEEDLEMAN'S
office. NEEDLEMAN declined, stating that the girl who operates
the switchboard in the office NEEDLEMAN shares with other
attorneys would become suspicious of numerous phone calls for
[REDACTED] from Russians.

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- 1- 134-91 (Inves) (6)
- 1- 100-78633 (ISIDORE G. NEEDLEMAN) (6)
- 1- 100-62751 [REDACTED] (12-16)
- 1- 65-7171 (AMTORG) (17)
- 1- 100-21785

ACB:am
(5)

134-91-1290

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NY 100-21785

[] subsequently arranged with [] to receive telephone calls for the next month or so at Boby's Appliance Co, which is operated by [] said it would be a convenient arrangement, since [] acts as [] agent in obtaining electronic equipment for the Russians.

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[] indicated that he has made money in the past few months in the purchase of electronic and surgical equipment for the Russians. Referring to surgical equipment, [] said that [] (ph), a former chiropractist now in the surgical equipment business, - and at one time one of [] "boys" - assists [] in obtaining surgical equipment for the Russians.

ATT :

DIRECTOR, FBI (100-21785)

3/21/58

FBI LABORATORY

SAC, NEW YORK (100-21785)

[redacted] was.
IS-NJ ISA-50

Re Philadelphia letter, 2/28/58, and Bulc
3/1/58.

On 3/18/58, [redacted] Photographic
Trade News, Inc., 10 E 40th St., NYC, was contacted
by SAS [redacted] and ROBERT S. KENNEMUR.
[redacted] of this corporation. NYO
indices and NYCPD, BSSI and criminal records
negative re [redacted] Credit Bureau of Greater New York
records non-derogatory.

After explanation of the confidential nature
of the contact, the interviewing SA solicited her
cooperation in obtaining information, concerning
certain photographic equipment from time to time as
the situation demands. [redacted] offered her complete,
discreet cooperation.

[redacted] advised that she has a great many
contacts and acquaintances in the photographic trade
and it would be most natural for her to make inquiry
of these contacts. [redacted] stated she could do this
without revealing FBI's interest. She further stated
that if it is desired she could even purchase any
camera so located without arousing any undue notice since
Photographic Trade News does obtain all types of
cameras at various times for testing, etc.

4- Bureau (100-21785) (RM)
 (1- FBI Laboratory)
 (1- 100-340711)
① N.Y. (134-91) (INV)
1- New York (100-21785)

EJH:mab
(6)

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b6
b7C

100-21785-129

NY 100-21765

[] made available 1957 issue of the Photographic Trade News Master Buying Guide which is the most recent issue. Bureau authority is requested to recontact [] and request her to locate and purchase the Whittaker Micro 16 camera. It is believed that the best interests of the Bureau will be served by working through an individual such as [] who has legitimate entree to all photographic distributors in the United States and abroad and can make any inquiry necessary and obtain any camera available without revealing the FBI's interest. This would also preclude necessity of FBI making inquiry of various manufacturers and distributors if in the future the subject requests NY 694-S* to locate and obtain other cameras. As Philadelphia letter 2/28/58, pointed out, it may not be feasible to request the cooperation of the operators of Micro-Pixie Sales Co. in this matter. By utilizing the services of [] there would be no need to contact any distributor.

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Enclosure to Philadelphia letter reflected the camera above sells for about \$20.00 plus tax. Bureau authority requested to spend not more than \$25.00 for this camera.

If [] can obtain camera, NYO will forward same to Bulab for appropriate marking. After marking by Bulab, camera can then be turned over to subject through NY 694-S* who will get back from subject cost of camera.

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Bulab is requested to determine if the camera forwarded with Philadelphia letter 2/28/58, (the Whittaker Pixie 16 mm) can be so marked that photographs taken can be subsequently identified as coming from that specific camera.

Bulab requested to so mark camera if possible, and forward to NYO so that it can be sold to subject through NY 694-S*.

3/29

SAC, DETROIT (100-13420)

3/25/58

RYW SAC, NEW YORK (100-27539)

CARL WINTER
IS-C

On 3/12/58, NY 694-S* who has furnished reliable information in the past, made available to SA [redacted] for photostating, a six page document regarding a CP unity proposal or resolution drawn up by CARL WINTER for submission at a meeting of the National Committee of the CP, USA in New York City on 2/15,16/58.

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The above document was received by the informant from [redacted] for transmittal to the Canadian CP on 3/12/58.

In this document, WINTER sets forth a program to follow in attaining Party unity and the carrying out of decisions reached by the 16th National Convention of the CP. It has been previously reported that WINTER was on a subcommittee of four, consisting of SID STEIN, [redacted] and EUGENE DENNIS, which earlier had been constituted by the NEC to try to work out a unity proposal for the Party.

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[redacted] advised on 2/17/58, that EUGENE DENNIS decided to present a similar resolution for himself which was adopted by the NC at the above meeting. The adoption of the DENNIS resolution negated the resolution drawn up by WINTER.

The above document is being furnished to the Detroit Office for completion of the WINTER file.

Caution should be exercised in reporting the above information in order to protect the identity of NY 694-S*, a highly placed informant.

2 - Detroit (100-13420) (1 Enc.) (RM)
1 - New York (100-27539) (CARL WINTER)
1 - New York (100-27452) [redacted] 19-1
1 - New York (134-91) (P&C) (LIVELY)
MRD/mrd
(5)

134-91-1291

3/31

DIRECTOR, FBI (100-3-69)

3/25/58

NY SAC, NEW YORK (100-69590)

COMMUNIST PARTY - USA
STRATEGY IN INDUSTRY
INTERNAL SECURITY - C

On 3/12/58, NY 594-2-2 was available to SA [redacted] for photocopying, a document consisting of nine pages captioned, "Minutes, West Coast Labor Conference, September 1957". [redacted] received this document from [redacted] of the CP, USA on 3/12/58, which was to be delivered to the Chairman CP.

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A photostatic copy of the above document is being furnished to the Bureau and to each of the San Diego, San Francisco, Los Angeles, Portland and Seattle Offices. The New York copies are being retained in New York file 100-69590.

CARE SHOULD BE USED IN HANDLING AND REPORTING THE ABOVE INFORMATION IN ORDER TO PROTECT THE IDENTITY OF THE INFORMANT.

2 - Bureau (100-3-69) (1 Encl) (RM)
1 - Los Angeles (100-) (CP, USA, Strategy in Industry) (1 Encl) (RM)
1 - Portland (100-) (CP, USA, Strategy in Industry) (1 Encl) (RM)
1 - San Diego (100-) (CP, USA, Strategy in Industry) (1 Encl) (RM)
1 - San Francisco (100-) (CP, USA, Strategy in Industry) (1 Encl) (RM)
1 - Seattle (100-) (CP, USA, Strategy in Industry) (1 Encl) (RM)
1 - New York (100-69590) (CP, USA, Strategy in Industry) (1 Encl) (RM)
1 - New York (100-69590) (CP, USA, Strategy in Industry) (1 Encl) (RM)
1 - New York (100-69590) (CP, USA, Strategy in Industry) (1 Encl) (RM)
1 - New York (100-69590) (CP, USA, Strategy in Industry) (1 Encl) (RM)

WJH/mrd
(20)

134-91-1292

SEARCHED	INDEXED
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RK	

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3/26/58

AIRTEL

TO : DIRECTOR, FBI (100-87638)
FROM : SAC, NEW YORK (100-21785)
SUBJECT: [REDACTED] *was*
IS - R
ISA - 50

b6
b7C

Re Philadelphia airtel, 3/19/58.

In view of Philadelphia references on [REDACTED]
[REDACTED] NYO does not recommend that Philadelphia con-
tact him re Micro-Pixie Camera.

b6
b7C

NYO presently awaiting Bureau approval to con-
tact an individual at Photographic Trade News, Inc., 10
E. 40th St., NYC, who is believed to be more reliable and in
a better position than [REDACTED] to serve the interests of this
investigation.

POWERS

- 3 - Bureau (100-87638) (RM)
- 2 - Philadelphia (105-721) (RM)
- 1 - New York (134-91) (INV)
- 1 - New York (100-21785)

EJH:ecb
(8)

134-91-1293

SEARCHED	INDEXED
SERIALIZED	FILED
MAR 28 1958	
FBI - NEW YORK	
[REDACTED]	900

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b7C

3/31

OFFICE MEMORANDUM

UNITED STATES GOVERNMENT

TO : DIRECTOR, FBI (100-426949)
FROM : SAC, NEW YORK (100-132033)
SUBJECT: 23 WEST 26th STREET CORPORATION
IS - C

DATE: 3/26/58

ReBulet 3/4/58, enclosing a letter from the Department dated 2/27/58, containing a request to have certain informants interviewed regarding four specified topics relating to captioned organization.

Enclosed herewith are 9 copies of a letterhead memorandum reflecting the results of these interviews.

A review of NYO files failed to disclose any other informants or sources who can testify concerning the topics set out by the Department.

10- Bureau (100-426949) (Encl. 10) (RM)

(1 - 100-340711) (NY 694-S*)
(1 - 61-7565)
(1 - 100-15716)
(1 - 100-382052)
(1 - 100-209937)
(1 - 100-342095)
(1 - 100-373003)

(1) - NY (134-91) (P&C) (INVEST)
1 - NY (P&C)
1 - NY (P&C)
1 - NY (P&C)
1 - NY (P&C)
1 - NY (P&C)
1 - NY (P&C)
1 - NY (100-132033) (P&C)

AJS:fef
(18)

134-91-1294

SEARCHED.....	INDEXED.....
SERIALIZED.....	FILED.....
MAR 26 1958	
FBI - NEW YORK	

#6

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b7C

NY 100-132033

The interviews referred to above were handled by the Special Agents listed below on the dates indicated:

<u>Informant</u>	<u>Agent Contacting</u>	<u>Date Contacted</u>
T-1 NY 694-S*	SA [redacted] [redacted]	3/20/58
T-5 [redacted]	SA [redacted]	3/14/58

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T-7 will not be available for interview until 3/28/58. The Bureau and the Department will be advised of the results of this interview after it is conducted.

T-2 and T-4, mentioned in the Department's letter, are confidential techniques and cannot be interviewed.

The following additional informants were interviewed on the dates indicated below, concerning the topics set forth in the Department's letter:

<u>Informant</u>	<u>Agent Contacting</u>	<u>Date Contacted</u>
[redacted]	SA JOHN A. HAAG	3/11/58
	SA JOHN A. HAAG	3/12/58
	SA [redacted]	3/11/58
	SA [redacted]	3/11/58
	SA [redacted]	3/20/58

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The NYO will follow this matter closely and if sources are developed, who can testify relative to above-mentioned topics, the Bureau will be promptly advised.

UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

In Reply, Please Refer to
File No.

201 East 69th Street
New York 21, New York
March 26, 1958

Re: 23 West 26th Street Corporation

Reference is made to memorandum dated February 27, 1958, from William F. Tompkins, Assistant Attorney General, Internal Security Division, in the above captioned matter, requesting interviews with certain informants utilized in the report of Special Agent Alphonse J. Sutkus, dated August 30, 1957, at New York, and other individuals who may possess information concerning four topics set out in referenced memorandum.

T-1 was interviewed and stated he could furnish no information pertaining to subject corporation other than that previously reported to the Bureau and set out in the report of Special Agent Sutkus referred to above.

T-5 was unable to furnish any information regarding the topics listed in the Department's letter.

T-7 will not be available for interview until March 28, 1958. The Department will be advised of the results of this interview after it is conducted.

Several additional informants, who have knowledge of Communist Party activities in the New York City area, were interviewed in connection with this matter, but none were able to furnish information covering the topics set forth in referenced Departmental memorandum.

All of the information requested by the Department in this matter is contained in this memorandum.

This is loaned to you by the Federal Bureau of Investigation, and neither it nor its contents are to be disseminated outside the agency to which loaned.

FBI

Date: 3/27/58

Transmit the following message via AIRTEL

(Priority or Method of Mailing)

TO DIRECTOR, FBI (100-87638)
FROM SAC, NEW YORK (100-21785)
SUBJECT [REDACTED] was.
IS-R
ISA-1950

b6
b7c

Remyairtel, 3/12/58, reporting that on 3/11/58,
ISIDORE "GIBBY" NEEDLEMAN, [REDACTED] HOWARD SELSAM,
and the captioned subject conferred at [REDACTED] home.

- 8 - Bureau (100-87638) (RM)
 (1 - 100-341652) (ISIDORE NEEDLEMAN)
 (1 - 100-397666) [REDACTED]
 (1 - 100-111248) (HOWARD SELSAM)
 (1 - 100-23614) [REDACTED]
 (1 - 100-86) (CP, USA PAMPHLETS & PUBLICATIONS)
1 - New York (100-78633) (ISIDORE NEEDLEMAN) (#6)
1 - New York (105-6061) [REDACTED] (#6)
1 - New York (100-26041) (HOWARD SELSAM) (#7-2)
1 - New York (100-9984) [REDACTED] (#19)
1 - New York (100-81675) (CP, USA PAMPHLETS & PUBLICATIONS) (19)
① - New York (134-91) (P&C) (INVS.) (#6)
1 - New York (100-21785) (#6)

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ACB:RCM (#6)

16

Approved: [Signature]Sent _____ M Per _____
(Special Agent in Charge)

134-91-1295

SEARCHED	INDEXED
SERIALIZED	FILED
MAR 27 1958	
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[REDACTED]	ACB

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NY 100-21785

[] NY 694-S advised on 3/26/58, that on that date mentioned the aforesaid conference, furnishing the following additional information with respect thereto:

[] also attended the above-mentioned conference. SELSAM [] have been planning to publish a Marxist magazine, and already have published one issue in mimeographed form. The conference at [] home was for the purpose of discussing whether the publication of such a magazine could be a successful venture.

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In reply to a question from NY 694-S, [] stated that he did not know the name of the contemplated magazine, or whether as yet it has a title. He said that he, NEEDLEMAN, and [] advised SELSAM and [] that their contemplated magazine would be a failure since it could not successfully compete with "the new magazine to be published by the peoples democracies." [] referred to this "new" magazine as "replacing the old Cominform magazine 'For a Lasting Peace, For a People's Democracy', and to be published in Prague."

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[] said that SELSAM and [] also were told that by reason of their affiliation with "the right wing," the CP,USA would not support their publication, and that without Party support the magazine would be doomed to failure.

[] stated as his personal opinion that both SELSAM and [] are realists, and that, unless they should obtain financial support outside the Party, they would abandon their plan to publish a magazine.

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NY 694-S has been alerted to obtain if possible, a copy of the mimeographed issue of SELSAM's and [] magazine.

POWERS

7/88

F B I

Date: 3/27/58

Transmit the following in _____
(Type in plain text or code)

Via AIRTEL REGISTERED MAIL
(Priority or Method of Mailing)

FROM: SAC, NEW YORK (100-96778)
TO: DIRECTOR, FBI (100-364447)
SUBJECT: VIRGINIUS FRANK COE, was
ESPIONAGE - R

Remyairtel, 3/20/58, captioned "SASH-ESPIONAGE-R",
copy to captioned Bureau file.

- 4 - Bureau (100-364447)(RM)
 - (1 - Bu 65-62041 (SASH)
- 1 - Chicago (100-SASH)(Info.)(RM)
- ① - NY 134-91 (P & C)(INVEST.)(6)
- 1 - NY 100-78633 (ISIDORE NEEDLEMAN)(6)
- 1 - NY 100-85051 (MILTON FRIEDMAN)(6)
- 1 - NY 100-21785 [REDACTED] (6)
- 1 - NY 105-1322 [REDACTED] (1)
- 1 - NY 105-1329 (SURVEY OF CHINESE COMMUNIST
ACTIVITY IN THE U.S.)(1)
- 1 - NY 65-16441 (SASH)(6)
- 1 - NY 100-96127 (SOLOMON TRONE)(6)
- 1 - NY 100-89851 (HENRY HILL COLLINS)(7-4)
- 1 - NY 100-96778 (VIRGINIUS FRANK COE)(6)
- 1 - NY 100-10989 (NEW CENTURY PUBLISHERS)(7-2)
- 1 - NY 100-46469 [REDACTED] (12-13)

ACB:DMO (#6)
(18)

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134-91-1296

SEARCHED	INDEXED
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MAR 27 1958	
FBI - NEW YORK	

[REDACTED] *PCB*

Approved: (12) Sent _____ M Per _____
Special Agent in Charge

A I R T E L

NY 100-96778

On 3/24/58 and 3/25/58, NY 694-S furnished the following information concerning the China trade operation:

On the morning of 3/22/58, NORMAN FREED, Canadian CP functionary, telephonically advised NY 694-S that he had just arrived by train from Toronto, that he was accompanied by [redacted] (ph), his partner in the real estate business, and that both were staying at the Hotel Dixie, NYC. [redacted] according to FREED, came to New York on the previous evening via plane from Toronto to attend the conference with FRANK COE, [redacted] ISIDORE "GIBBY" NEEDLEMAN, NY 694-S, and FREED regarding the China trade deal. FREED requested that NY 694-S arrange an immediate conference concerning this matter.

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At 2 P.M. on the aforesaid date, the above-named group, with the exception of ISIDORE NEEDLEMAN, met at Gertner's restaurant, 22nd St. and 5th Ave., NYC. NEEDLEMAN was unable to attend because he had to go to an airport to meet his daughter, who was arriving from Chicago.

COE initiated the discussion, and told the following to FREED and [redacted]

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Eight months ago, COE received instructions from the Chinese to set up an organization in the USA to engage in the export-import business with China "as soon as the market should open up". This operation was initiated by [redacted] but subsequent instructions regarding the operation have been sent to COE from London.

The Chinese are now desirous of the Canadians setting up a similar organization, and are willing to cooperate in every way with the Canadians. Whereas the American organization is hampered by restrictive U.S. trade regulations, the Canadians should not encounter the same restrictions. The Chinese feel that if the Canadians will concentrate immediately on setting up trade relations with China, the USA will be "pressured" into changing its trade policies as regards China.

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COE was not aware of the extent to which TIM BUCK might have discussed trade with China with leading Chinese CP functionaries. FREED said that BUCK had discussed the subject with the Chinese "in a general way", and that BUCK had been requested to ascertain how the Chinese could obtain from Canada from three to five million dollars worth of nitrogen fertilizer. COE said he had a request from the Chinese for nitrogen fertilizer, but that it was impossible to obtain it in the USA.

COE said he had definite instructions from the Chinese concerning the organization of the American group to trade with China. The Chinese, he said, desire that the group be "completely apart from the Party - in no way tainted". The staff and other personnel of the organization must be entirely trustworthy". COE remarked that the "investors" are "sympathetic" but not Party people. As far as "the staff" is concerned, COE said he did not know how he could organize a staff that would not be composed of CP members.

According to COE, until the Chinese should receive "full recognition", they would trade only with individual merchants in countries like the USA and Canada. They have no intention at this time of setting up government-controlled purchasing agencies like Amtorg.

COE mentioned that his communications with the Chinese are "slow". He said instructions come to him from China via London, and information that he sends to China goes by way of London.

COE told FREED that in addition to trading with the Chinese, the Canadians could "service" the Chinese by furnishing the latter with economic reports, statistical reports, and reports concerning the state of the market as regards what the Chinese might buy or sell in Canada. In that connection, COE told FREED that ERIC ADAMS (former member of the Canadian spy ring of which SAM CARR was a member) could be of considerable assistance.

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Mentioning again the Chinese insistence that the trade organizations in the USA and Canada be most secure, COE stated that great care must be taken in choosing names for these organizations. He said that a name like "East-West Trading" is a "tip off" of association with Communist groups. He said the organization should be "ostensibly legitimate export-import companies with good people as a front".

With regard to the expense of setting up these companies, COE said that it was not necessary to have a large amount of money to begin operations, and that "such expense could be covered in the initial Chinese order, payment for which could include initial expenses."

COE then gave FREED what he called "a partial list" of material the Chinese wish to buy in Canada. The list was as follows:

- Complex tool machinery (he said the Chinese themselves could manufacture simple machinery);
- railroad equipment in general;
- heavy trucks;
- heavy agricultural tractors;
- electronic equipment, and electronic machinery, like computers, etc.;
- oil-drilling equipment;
- large excavators;
- large 50 cubic meter shovels;
- nickel and copper in large amounts;
- and nitrogen fertilizer (28%) in whatever quantity available.

A I R T E L

NY 100-96778

COE said that the Chinese would need 12,000,000 tons of nitrogen fertilizer in the immediate future, and that presently they are producing only 70,000 tons per year. In the next five years, they plan to produce 7,000,000 tons of nitrogen fertilizer per year. Currently, he said, Western European countries are supplying the Chinese with the said fertilizer, but in quantities not sufficient for Chinese requirements.

COE then suggested to FREED that it would be advisable for the Canadians to make a direct contact with [redacted] as soon as possible "in order to perfect the mechanics of the operation". It was then agreed to adjourn the meeting and to hold another conference on Sunday, March 23rd, at the home of [redacted]. It was anticipated that ISIDORE "GIBBY" NEEDLEMAN would attend the Sunday meeting.

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As arranged, FREED, [redacted] COE, [redacted] NEEDLEMAN and NY 694-S met at [redacted] home on 3/23/58. NEEDLEMAN was briefed regarding the agenda of the previous day's meeting, and then asked FREED whether the latter had "any ideas".

FREED stated that co-incidentally, when NY 694-S arrived in Canada recently to discuss the China trade operation, the Canadians "already were thinking along the same lines". According to FREED, when BUCK was in China recently, he was requested to obtain fertilizer for the Chinese. The Canadians, when NY 694-S arrived in Toronto, then had in mind organizing a business to acquire fertilizer and other material for the Chinese. Consideration had been given to using the World Trading Co., operated in the past by JACK COWAN, Canadian CP functionary, for that purpose. This company, however, was too widely known as "leftist", and after NY 694-S left Toronto, it was decided that it would be more expedient to organize a new company that, so far as the public was concerned, was not leftist. The company which the Canadians are organizing for the China trade operation will be called the "Max Babad Export and Import Co." The headquarters of the said company,

A I R T E L

NY 100-96778

temporarily, at least, will be 952 Eglinton Ave. West, Toronto, where FREED and [] now operate a realty company. FREED indicated that [] is not known publicly as a member of the Communist Party, although in fact he is.

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According to FREED, after consultation with NY 694-S in Toronto regarding this operation, the Canadians agreed that they "could give a fast push" to the said operation, and were "in full accord with COE". They already have made inquiries at large chemical companies in Canada regarding fertilizer, but so far it seems they will not be able to obtain any. The Canadians were informed that these companies have commitments to ship 75% of this special fertilizer to the USA. Of the remaining 25%, the companies, for many years, have not shipped any of the fertilizer outside the Dominion because Canada always has been short of fertilizer.

The Canadians, FREED stated, are continuing to make inquiries regarding fertilizer, and will ask the Chinese whether the latter want fertilizer in liquid or powder form.

FREED said that the situation today in Canada is "extremely favorable to putting the pressure on the USA" (to compel a change in USA trade policies). As an example of "pressure", he mentioned the following:

Through the East-West Trading Corporation of Vancouver (mentioned in referenced airtel as doing business with the Chinese, and as operated by MARVIN JOHNSON, a Communist), the Chinese ordered a thousand automobiles from Ford Ltd. Ford Ltd. rejected the order on instructions from the parent Ford Company in the USA, which advised that such a sale was contrary to the trade policies of the USA.

The Canadian United Auto Workers officials in Windsor "picked this up", and demanded to know from the Canadian government by what right the USA could compel rejection by Ford Ltd. of the Chinese order, particularly since the cars in question were assembled at the Ford Ltd.

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plant. The said UAW officials pointed out to the government that this was a particularly serious matter in view of the current unemployment situation in the Canadian automobile industry.

The furore created by the UAW was "terrific": the controversy made headlines in the Canadian newspapers, and became "a political football" when candidates for public office debated the issue publicly. The Chinese, COE said, want to create a similar situation with respect to the trading operation now proposed.

FREED then said that the "Canadian trade list" is not nearly so restricted as the "USA list". The Canadian list, he remarked, is "based on the list of the British who have been doing considerable business with China. FREED felt certain that some of the items which the Chinese require can be procured. He said whether they (the items) should be shipped directly or indirectly was not important at the moment. The Canadians will investigate the possibility of purchasing in the USA and shipping from Canada. Vancouver would be the point from which they would ship. The Canadians are in a better position than the Americans since in Canada there is no enemy trading act to contend with.

The Canadian group can utilize the services of capable economists, statisticians, analysts, etc. and when business expands, the Canadian trade group can expand with it.

At this point, COE interrupted FREED to say that he was making notes of everything FREED said, and that he would furnish the Chinese with a complete report of the agenda of both the Saturday and Sunday meetings of the group.

FREED then inquired what assurance could be given the Canadian group that the Chinese would not, at a later date, utilize the services of someone other than his Canadian group. He said that after the Canadians initiated the operation, the Chinese might decide "to switch".

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NY 100-96778

NEEDLEMAN told FREED that the latter need have no fear in that regard, that if the Canadians dealt honestly with the Chinese, "the preference" would go to them.

FREED then inquired how the Canadians would know whether any particular order from the Chinese was obtained through COE and his group. COE replied, "That order will be ear-marked". COE then said he would instruct the Chinese to deal directly with the Canadians.

With respect to what percentage of profits should be paid by one group to the other in the event one or the other handles a Chinese order, it was decided that TIM BUCK would determine such percentage" since everybody trusts him". This arrangement concerns buying and selling, but does not apply to "services" furnished to the Chinese. With respect to "services" (furnishing information), each group will retain any funds received from the the Chinese for such services.

COE and FREED then discussed the fact that at this time there is no one through whom the groups can pass money to each other. It was agreed that such a person must be found. (NY 694-S noted that although the word "person" was used in this connection, it did not necessarily preclude utilization of a method, instead of a person, for transfer of money).

COE, according to NY 694-S, then proceeded to give the group "a pep talk", telling them he desired action in these trade operations, and that it would not be well for the respective groups to sit in their offices, waiting for orders from the Chinese. As an example of what he termed "a foolish operation", COE mentioned the following:

[redacted] who operates "New Century Publishers", has an exclusive contract with the Chinese, whereby he purchases for the Chinese annually \$100,000 worth of books. It is a lucrative business, and the "idiot" [redacted]

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A I R T E L

NY 100-96778

sees money "rolling in" so easily, that he believes he can "branch out" and engage in a general trading operation with the Chinese. In view of [] lack of interest "in doing some real work", this contemplated general trading operation will be a failure. Since [] interest in the book purchasing business will be diverted by the general trading operation, the said book purchasing business will very likely also be a fiasco.

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It was then agreed that in the next few days, the Canadians should complete the legal organization of the company to engage in trade with China, and that TIM BUCK should decide the amount of percentages, as referred to above. When these things are done, the Canadians should notify ISIDORE NEEDLEMAN by mail to that effect. In the future, should the American group have a problem requiring personal contact with the Canadians, [] [] will contact FREED in Toronto. With respect to major problems of concern to both groups, the Canadians, probably FREED, will come to New York for discussions.

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Before the conference terminated, NEEDLEMAN said to COE, "Why don't you arrange it so that some Eastern-European business will be given to the Canadians as a front, creating the impression that their operations are not restricted to the Chinese, but that they are world-wide?" COE indicated that he would give some thought to NEEDLEMAN's suggestion.

COE told FREED that everything discussed at the two conferences would be reported in detail to "London" for transmission to []

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NY 694-S advised that at no time during the conference was the London contact of COE identified. The informant noted, however, that on several occasions when COE referred to the London contact, stating he would inform the latter of the agenda of the meetings, NEEDLEMAN would remind COE to tell "SOL" something which NEEDLEMAN considered important. Discreet attempts by the informant, to ascertain the identity of the London contact, were unsuccessful.

A I R T E L

NY 100-96778

According to the informant, on Monday, March 24th, COE, [REDACTED] FREED, [REDACTED] and NY 694-S met for lunch shortly before FREED and [REDACTED] left New York to return by plane to Canada. The conversation concerned matters already discussed at the Saturday and Sunday meetings, and reflected that "everybody was happy about the deal". COE stated that in about three weeks, he should receive a communication (probably from London) reflecting the reaction of [REDACTED] to the information being furnished now by COE regarding the meetings of the Canadians and Americans.

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On March 25th, NY 694-S discussed the China trade operation with [REDACTED] who reported the following:

So far as the American group is concerned, the only persons knowing the "inside details" of the China trade operation, and having an immediate interest in it are [REDACTED] NEEDLEMAN, MILTON FRIEDMAN, COE, and COE's brother-in-law, HENRY COLLINS (COLLINS is HENRY HILL COLLINS, Bufile 101-1335. During interviews in the NYO in January, February and March of 1949, WHITTAKER CHAMBERS, confessed former Soviet espionage agent, advised that HENRY COLLINS was a member of the original Communist underground apparatus operated by HAROLD WARE in Washington, D.C. in the 1930's).

The "investors" are interested in this operation only to the extent that they have invested in "breaking the trade barrier with China". Their financial interest is a "potential" in the sense that if the trade barrier is broken, they may receive "concessions" from the Chinese for their individual businesses. These "concessions" would result from the China trade groups soliciting such concessions for them from the Chinese. The said investors are not aware of, nor will they be advised of, the meetings between the Canadian and American groups. These investors will be "on the ground floor" when, and if, the trade barrier is broken.

Despite guarded inquiries by NY 694-S, [REDACTED] made no attempt to identify the investors. The informant is doubtful whether [REDACTED] actually knows who these individuals are.

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A I R T E L

NY 100-96778

With respect to the London contact referred to by NEEDLEMAN as "SOL", it is suggested that "SOL" might be identical with SOLOMON TRONE, subject of Bureau file 77-27252. TRONE is an engineer who spent many years in Russia, China, India, and Israel, and, according to a recent report, is now in London. TRONE reportedly had close personal contact with many leading functionaries in the aforementioned countries, and may have been engaged in industrial espionage. He reportedly exerted political influence in the countries where he ostensibly was operating as an engineer.

By reason of TRONE's qualifications, it is believed he is eminently qualified to act as agent in London.

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It is noted that FRANK COE seems to be the central figure in what may be a conspiracy to purchase material in the USA, which is to be shipped via Canada to Communist China. Until such time as the New York trade group operates under a specific trade name, information regarding this matter will be reported under the caption, "VIRGINIUS FRANK COE, was; ESPIONAGE-R".

NY 694-S will be alert to obtaining all available information regarding this matter.

POWERS

DATE: 3/14/58

SUBJECT: HAROLD JULIAN COLLINS
IS-C

In addition the New York Office is giving consideration to the development of a confidential source to further clarify subject's activities with the CP and the Faculty of Social Science.

1-New York (100-133504) (Faculty of Social Science) (7-2)

1-New York (CIFU) (19-2)
1-New York (CIFU) (12-11)
1-New York (CIFU) (12-11)
1-New York (CIFU) (19-2)
1-New York (CIFU) (19-2)
1-New York (CIFU) (12-16)
1-New York (CIFU) (12-10)
1-New York (CIFU) (12-10)
1-New York (CIFU) (19-2)
~~1-New York (CIFU) (19-2)~~
1-New York (CIFU) (19-2)
1-New York (CIFU) (19-2) (INVS)
1-New York (134-91) (CIFU) (5)
1-New York (CIFU) (19)
1-New York (CIFU) (19-2)
1-New York (CIFU) (12-14)
1-New York (100-60640)

NY 694-5
3/28/58
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SA McMill notified
by routing slip
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NY 100-60640

been directed ascertain from that informant to the best of his or her knowledge, subject's position or title within the CP and his position (if any) or capacity with regard to the Faculty of Social Sciences. It is also requested that these informants be queried as to whether or not they have seen the subject with any records pertaining to various phases of CP activity and if the answer is affirmative ascertain their knowledge of the nature and location of these records.

FBI NEW YORK, N. Y.

Date: 3/20/58

Transmit the following in

Plain text

Via

AIRTEL

RM

TO: DIRECTOR, FBI (65-62041)

FROM: SAC, NEW YORK (65-16441)

SUBJECT: SASH
ESPIONAGE - R

Re my airtel dated 3/18/58, captioned "SOLO; IS-C," containing information obtained by NY 694-S from TIM BUCK, Canadian Communist Party leader, during the informant's trip to Toronto between March 13th and March 17th, 1958. Reference also my let dated 3/14/58, captioned "VIRGINIUS FRANK COE, was; ESPIONAGE - R" (Bufile 100-364447). (For the information of Chicago, COE is a member of a New York group interested in trading with Red China, and in obtaining the cooperation of a Canadian agency through which material from the USA could be shipped to China. COE at the moment appears to be the organizer of the New York group, and has reported that a representative of the group has conferred on several occasions in Paris with CHAO TING CHI, former CPUSA member, and currently minister of foreign trade in Red China. CHI reportedly is desirous of obtaining considerable material from the USA, and is in a position to give "friendly business people" in the USA large orders. ISIDORE "GIBBY" NEEDLEMAN and [redacted] both of whom are known to the Chicago Office, are members of the New York group. On his recent visit to TIM BUCK in Toronto, NY 694-S, pursuant to instructions from COE, was to enlist BUCK'S assistance in securing the cooperation of a Canadian agency through which the New York group

- 4 - Bureau (65-62041)(RM)(1-Bufile 100-364447-VIRGINIUS FRANK COE)
- 1 - Chicago (SASH)(INFO)(RM)
- ① - New York (INVS)(#6)(134-91 P & C)
- 1 - New York (100-78633)(ISIDORE G. NEEDLEMAN)(#6)
- 1 - New York (100-85051)(MILTON FRIEDMAN)(#6)
- 1 - New York (100-21785)([redacted])(#6)
- 1 - New York (105-1322)(CHAO TING CHI)(#1)
- 1 - New York (105-1329)(SURVEY OF CHINESE COMMUNIST ACTIVITY IN THE U.S.)(#1)
- 1 - New York (100-96778)(VIRGINIUS FRANK COE)(#6)
- 1 - New York (100-118948)(MAX SEBORA)(#6)
- 1 - New York (65-16441)(SASH)

ACB:DMCK
(15)

Chief Clerk
Post 3/20/58
[Signature]

134-91-1298

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FBI-NEW YORK	

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Airtel to Bureau
NY 65-16441

could trade with Red China. The informant also was to tell BUCK that CHAO TING CHI, according to COE desires that there be organized a Canadian group similar to the New York group, and entirely trustworthy, to trade with Red China.)

NY 694-S advised on 3/19/58 that, after discussing with BUCK a highly confidential matter reported in referenced NY airtel captioned "SOLO, IS-C," NY 694-S presented to BUCK the problem of the above mentioned New York group interested in trading with Red China. In reply to the informant's questions whether BUCK knew COE, BUCK said that he did, and that he last had seen COE when STUART SMITH (Canadian CP functionary) had brought COE to him, and requested that BUCK assist COE "in getting out of Canada." BUCK then whispered to NY 694-S, "I had met COE before STUART introduced him in 1953. When I first met COE, he came to me to help him get to the Soviet Union. I advised him against it. There would have been too many headlines and too much publicity. I told him he shouldn't disappear. He was a very close friend of ERIC ADAMS." (According to NY 694-S ADAMS was a member of the Canadian spy ring of which SAM CARR had been a member.)

BUCK instructed NY 694-S to tell COE the following:

Coincidentally, but fortunately for COE'S group, BUCK and the Canadian CP are in the process of reorganizing "World Trading, Ltd.," a Toronto company presently operated by JACK COWAN (Canadian CP functionary). COWAN is to be relieved of control for two reasons: he has been paying little, if any, attention to the business recently, and he is leaving Canada for a three-month vacation trip to Europe. COWAN will be replaced by NORMAN FREED, who is "the logical man" to cooperate with COE regarding Canadian participation in the China trade deal. (FREED, according to NY 694-S, is now a member of the Canadian CP National Committee. He had been a member of the National Executive Committee and National Educational Director, but resigned from these posts to devote more time to his private real estate business.)

NY 694-S, who had believed that COWAN was the exclusive owner of "World Trading, Ltd.," asked BUCK by what authority BUCK and the CP could replace COWAN with FREED. BUCK replied, "Why not? We are the ones who put the money into it."

Airtel to Bureau
NY 65-16441

BUCK then said that FREED might be able to go to New York to confer with COE. Of "all the leading people," BUCK stated, FREED is the only one who has succeeded in crossing the border without incident.

BUCK continued that in view of the problem submitted to him by NY 694-S and further in view of the fact that COWAN would leave on the following day for his trip abroad, BUCK would contact COWAN and instruct him "to sign over the company (World Trading, Ltd.) immediately" to NORMAN FREED. BUCK then telephoned to COWAN, telling the latter cryptically that NY 694-S would contact COWAN, and that COWAN should follow BUCK'S instructions which would be given him by NY 694-S. BUCK also telephoned to FREED, advising the latter that he was to assume control of "World Trading, Ltd." and that on the following day he would be contacted by NY 694-S who would brief him regarding an important matter which BUCK desired him to handle.

BUCK also said that he had in mind two other individuals who could assist COE, but neither of whom he would recommend. One, he said, was [redacted] a former associate of COWAN in "World Trading, Ltd."; the other was [redacted] whose firm is "East-West Trading Co.," located in Vancouver, B.C. [redacted] according to BUCK, is a CP member, but his firm is "not essentially Party-controlled." The firm, BUCK said, is "doing business on a small scale with the Chinese."

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On the following day NY 694-S contacted FREED explaining COE'S problem and giving him BUCK'S instructions with respect to assuming control of "World Trading, Ltd." and obtaining from COWAN necessary papers for legal transfer of title to the company. The informant also informed FREED of BUCK'S desire that FREED confer with COE concerning the China trade matter.

FREED and the informant then visited JACK COWAN, and furnished him details of BUCK'S instructions regarding transfer of title in "World Trading, Ltd." and FREED'S assignment to co-operate with the New York group in the China trade deal. COWAN was agreeable to do as BUCK requested, but stated that since it was more or less known that "World Trading, Ltd." is "left-controlled," the Chinese might object to association with the company lest it invite investigation of the trade operation. He suggested that for security reasons it might be a good idea to form a new company "ostensibly not leftist."

Airtel to Bureau
NY 65-16441

COWAN said that for the duration of his trip abroad he would like to retain the "World Trading, Ltd." charter because, when in London, talking to export-import people, he desired to represent himself as an official of the said company. He said that his retaining the charter temporarily should not affect FREED either in the latter's operation of "World Trading, Ltd." or in his dealings with the New York group represented by COE. FREED agreed to this arrangement.

COWAN said he was leaving Canada on March 16th for a nine-week tour, his itinerary including Portugal, Madeira, Rome, Israel, Rome for a second time, Vienna and London. He said he would fly from Canada to Lisbon, and would return to Montreal by ship.

Before leaving NY 694-S, FREED agreed to come to New York on the week end of March 22nd and 23rd for conferences with COE. He will contact NY 694-S on arrival in New York, and the latter will arrange his meeting COE.

Upon NY 694-S' return to New York, he conferred with COE and [] furnishing them the details of his discussions with BUCK and FREED regarding the China trade matter. Both were very pleased to learn that FREED would come to New York for conferences. COE suggested that such conferences be held at his home. COE and [] agreed, however, that they could not decide where the conferences should be held until they conferred with ISIDORE "GIBBY" NEEDLEMAN, whom they mentioned as "treasurer of the organization." NEEDLEMAN they said, would attend the conferences with FREED.

NY 694-S suggested that as "good business people" COE and [] representing the New York group, should offer to pay at least part of the expenses incurred by FREED in coming to New York. COE was in agreement with the suggestion, but [] was opposed to it. It was finally agreed that COE and [] should confer with NEEDLEMAN at the latter's office on March 20th for the purpose of deciding where conferences with FREED should be held, and whether the New York group should reimburse FREED for the expenses incident to his trip to New York.

NY 694-S advised that from remarks made by COE he inferred that COE and CHAO TING CHI are friends of long standing,

Airtel to Bureau
NY 65-16441

having attended the same university at the same time. The informant also inferred from a remark of COE'S that the latter has a contact in London.

According to NY 694-S, before leaving Canada he received FREED'S assurance that the latter, after conferring with COE and his group in New York, would fully brief the informant regarding the said conference. NY 694-S obtained this commitment from FREED after informing the latter that, since the China trade deal was not per se a CPUSA operation but might possibly affect the security of the Party, the CPUSA, through the informant, should be aware of COE'S operations.

NY 694-S further advised that pursuant to instructions he had received on 10/23/57 from ISIDORE "GIBBY" NEEDLEMAN he told TIM BUCK the following concerning the missing [redacted] brothers:

In November, 1956, a Russian delivered to [redacted] three letters from his brothers [redacted] together with a picture of a child, [redacted] NY 694-S also told BUCK that while enroute to Mexico to visit [redacted] [redacted] had lost the said letters and photograph. BUCK'S comments in reply were: "I'm not surprised at all that NEEDLEMAN heard from them. That confirms what I thought when I spoke to them (the Soviets) about the [redacted] I spoke to them at that time about another family. I heard about them, and was able to trace them." NY 694-S inferred from BUCK'S remark that the latter assumed that [redacted] had received communications from his brothers as a result of BUCK'S inquiries in Moscow concerning them.

NY 694-S will inform NEEDLEMAN of BUCK'S remarks with a view to obtaining from NEEDLEMAN further information regarding the missing [redacted] activities, past and present.

NY 694-S further advised that while in Toronto he talked to ELIZABETH MASCOLO, TIM BUCK'S "girl friend," and also to SAM CARR, neither of whom furnished any pertinent information.

It is suggested that there be no dissemination outside the Bureau of the above information inasmuch as, by its nature, such information tends to indicate that NY 694-S, a very valuable informant, is the source thereof.

POWERS

SAC, NEW YORK (100-47142)

3/28/58

SA [REDACTED] (#19)

b6
b7c

UNITED MAY DAY COMMITTEE
IS-C

Source NY 694-S (protect)

Reliability Who has furnished reliable
information in the past.

Date of Activity 3/20/58

Date Received 3/20/58

Received by SA [REDACTED]

b6
b7c

NY 694-S advised on 3/20/58 that on that date
[REDACTED] of the CP National Office, exhibited to
him a publication entitled "Discussion Guide On May Day Celebration
1958."

Hasty examination by NY 694-S of the said
publication reflected the following:

The CP will hold a mass meeting at Carnegie Hall,
New York City, on May 1, 1958.

The upper New York State CP should plan May Day
activities in accordance with "local situation."

Open-air CP meetings should be held in all
neighborhoods both on the eve of May Day and on May Day.

With respect to labor groups, consideration
should be given to the garment, distribution, and shoe industries
holding open-air meetings on May Day.

- 1- New York (134-91) (P&C) (INVS) (6)
- 1- New York (100-80641) (CP, USA - ORGANIZATION) (19)
- 1- New York (100-128814) (CP, USA - ORGANIZATION - DISTRICT 2) (19)
- 1- New York (100-68934) [REDACTED] (12-11)
- 1- New York (100-47142) (19)

ACB:jr
(5)

134-91-1299
OEB JF JF
[REDACTED] b6 b7c

SAC, NEW YORK (65-17540) (17-1)

3/28/58

SA [REDACTED]

UNSUB., was, "Phil,"
"Phillips"
ESPIONAGE - R.

Source-	NY 694-S (protect)
Reliability-	Who has furnished reliable information in the past.
Date of Activity-	3/11/58
Date Received-	3/11/58
Received by-	SA [REDACTED]

The captioned unknown subject has been identified tentatively by MILDRED PRIMAKOFF as PHIL ARONBERG, concerning whose reported death NY 694-S previously has furnished information.

The informant was recontacted in an effort to ascertain from whom, or where, a photograph of ARONBERG might be obtained to exhibit to PRIMAKOFF for identification purposes.

The informant advised that the only relative of ARONBERG known to him is [REDACTED] of CLARA GABIN, now dead, who had been married to ARONBERG. [REDACTED] according to the informant, was, and still may be, employed by "New Century Publishers."

NY 694-S recalled that possibly between 1930 and 1932, ARONBERG had been a functionary in the Trade Union Unity League. As such, in NY 694-S' opinion, ARONBERG may have been photographed on various occasions, and it is possible that his photograph may appear in a T.U.U.L. publication of the early 1930's.

NY 694-S also noted that during the 1920's, ARONBERG reportedly made frequent trips abroad with LEON JOSEPHSON. Whether he travelled on a bona fide passport, to which his photograph should be attached, NY 694-S did not know. It was the informant's opinion that ARONBERG used fraudulent passports.

- ②- (134-91) (Inves) (6)
- 1- (100-15456) (PHILIP ARONBERG) (6)
- 1- (65-34) (LEON JOSEPHSON) (6)
- 1- (100-64391) [REDACTED] (7-2)
- 1- New York (65-17540)

ACB:ngb
(5)

134-91-1300

SEARCHED	INDEXED
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MAR 28 1958	

[REDACTED]

NY 65-17540

The original report to NY 694-S of ARONBERG's death, the informant stated, was given to him by [redacted] in 1946 or 1947. [redacted] for many years has been associated with the CPUSA Jewish Bureau. NY 694-S suggested the possibility that [redacted] may have a photograph of ARONBERG.

b6
b7C

F B I

Date: 4/2/58

Transmit the following in PLAIN TEXT

Via AIRTEL

TO: DIRECTOR, FBI (100-364447)
FROM: SAC, NEW YORK (100-96778)
SUBJECT: VIRGINIUS FRANK COE, was.
ESPIONAGE-R

Remyairtel, 3/27/58, to Bureau and Chicago.

NY 694-S advised on 4/1/58, that on the previous day he conferred with ISIDORE GIBBY NEEDLEMAN concerning the China trade operation.

NEEDLEMAN exhibited to the informant a letter dated 3/28/58, on the stationery of the "Max Babad Export-Import Co.," signed by [REDACTED]. The letter reflected that the Canadian trade group is currently holding meetings regarding the trade operation; that the matter of "percentages" is under discussion but not as yet determined; and that the Canadian group contemplates doing an extensive export-import business.

4 - Bureau (100-364447) (RM)
(1 - Bufile 65-62041 (SASH))

1 - Chicago (100-SASH) (INFO) (RM)
① - New York (134-91) (P&C) (INVS) (#6)
1 - New York (100-78633) (ISIDORE NEEDLEMAN) (#6)
1 - New York (100-85051) (MILTON FRIEDMAN) (#6)
1 - New York (100-21785) [REDACTED] (#6)
1 - New York (105-1322) (CHAO TING CHI) (#1)
1 - New York (105-1329) (SURVEY OF CHINESE COMMUNIST
ACTIVITY IN THE U.S.) (#1)
1 - New York (65-16441) (SASH) (#6)
1 - New York (100-96127) (SOLOMON TRONE) (#6)
1 - New York (100-89851) (HENRY HILL COLLINS) (#7-4)
1 - New York (100-96778) [REDACTED] (#6)

WACB:sau (#6)
(16)

SEARCHED.....	INDEXED.....
SERIALIZED.....	FILED.....
APR 2 1958	
FBI - NEW YORK	

134-91-13811

F B I

Date:

Transmit the following in PLAIN TEXT

Via AIRTEL

NY 100-96778

NY 694-S reminded NEEDLEMAN that at the recent conference of the Canadian and American groups it was agreed that the Canadians should have a direct contact with CHAO TING CHI or the latter's representative. The informant also told NEEDLEMAN that while NY 694-S was in Canada recently - before the conference of the Canadian and American groups - he and FREED had discussed the fact that CHI has a London agent, and that it would be to the advantage of the Canadian trade group that a representative thereof confer directly with CHI'S agent in London.

FREED, NY 694-S told NEEDLEMAN, suggested that JACK COWAN, Canadian CP functionary who is familiar with the contemplated trade operation, even though he will not necessarily be connected with it, would be ideally suited to conferring with the London contact in behalf of the Canadian group. (COWAN is now abroad and will include in his itinerary a visit to London, where he will confer with British export-import people.)

NEEDLEMAN thought well of FREED'S suggestion, and said that either FRANK COE or [redacted] could inform NY 694-S whom COWAN might contact in London. NY 694-S stated he would prefer to discuss the matter with COE, and asked NEEDLEMAN for COE'S telephone number. NEEDLEMAN told NY 694-S that COE could be contacted at either Oregon 9-8446 or Watkins 4-5662. (It was ascertained that Watkins 4-5662 is COE'S home telephone number, and that Oregon 9-8446 is the number of "Two Continents Commodity Corporation," located at 246 5th Ave., NYC.)

A check of the NYO indices reflected no information concerning the said company. Records of the County Clerks Office, NY County, reflected that Two Continent Commodity Corporation (Certificate of Incorporation No. 10482) was incorporated on 10/22/57, directors and stockholders being listed as follows:

SEARCHED
SERIALIZED
INDEXED
FILED
OCT 24 1957
FBI - NEW YORK

478

PLAIN TEXT

4/2/58

AIRTEL

TO: DIRECTOR, FBI (100-3-102)

FROM: NEW YORK (100-128861)

CP, USA, FUNDS (RESERVE FUND)
IS-C

ReBulet 3/28/58.

NY 694-S* has not yet been approached to accept a position on the proposed committee to operate the Reserve Fund and has had no further discussion with ROBERT THOMPSON about it since their recent preliminary discussion, the details of which were reported to the Bureau.

The informant has the list of former contributors and his suggestions for operation of the Reserve Fund ready, but has thus far been unable to present them to THOMPSON. In view of the recent Supreme Court decision which will send THOMPSON back to prison, the informant probably will not be able to see THOMPSON, or even if he does, it is doubtful that THOMPSON will be concerned with anything other than winding up his personal affairs in anticipation of an immediate pickup.

CG 5824-S* on 4/2/58, advised SA [redacted] that for all practical purposes, THOMPSON is not interested in the Reserve Fund any more and is only concerned with arranging his personal affairs.

b6
b7C

CG 5824-S* spent considerable time in discussion with EUGENE DENNIS on 4/1/58, and also attended a meeting of the leadership that was held that date as a preliminary one to a special

- 3-Bureau (100-3-102) R M
- 2-Chicago (1-100-34103) R M
- (1-134-46)
- 1-New York (100-27452) ROBERT THOMPSON (19-1)
- 1-New York (134-91) (PAC) (C) (INVEJ)
- 1-New York (100-128861)

AMH:oc1
(9)

1-J. J. KEARNEY, Supervisor #19-1

134-7-1362

SEARCHED	INDEXED
SERIALIZED	FILED
APR 2 1958	
FBI - NEW YORK	

[redacted]

b6
b7C

4/2/58

PLAIN TEXT

AIRTEL

NY 100-128861

meeting of the National Executive Committee which has been called for the morning of 4/2/58, to consider a successor to THOMPSON as Organizational Secretary. According to the informant, JACK STACHEL is being pushed by DENNIS for this job and the informant is also in favor of STACHEL taking it over. The informant has made the suggestion to STACHEL that if he is chosen, STACHEL should speak to NY 694-S* about the Reserve Fund discussions that have been taking place.

CG 5824-S* also pointed out that LEM HARRIS* name was mentioned as a possibility in this connection. The informant speculated that if either STACHEL or HARRIS is chosen it should not be too difficult to maneuver NY 694-S* into a position on any committee dealing with the Reserve Fund; however, nothing further can be done on this until THOMPSON's successor is actually named.

New York will keep the Bureau advised concerning all developments in this matter.

POWERS

SAC, NEW YORK (100-118948)

4/8/58

SA [REDACTED]

[REDACTED]
IS-R

b6
b7C

Source NY 694-S* (protect)
Reliability Who has furnished reliable information in the past.
Date of Activity 3/31/58
Date Received 3/31/58
Received By SA [REDACTED]

b6
b7C

NY 694-S* advised on 3/31/58 that after discussing on 3/31/58 a matter not pertinent to instant case with ISIDORE NEEDLEMAN, he mentioned to NEEDLEMAN that he recently had conferred in Toronto, Canada, with TIM BUCK, Canadian CP leader, who sent NEEDLEMAN his regards.

NEEDLEMAN said, "I don't know whether I told you before, but [REDACTED] received a reply to the letter I gave you for Tim (original letter sent to [REDACTED] through Tim Buck, who delivered letter to CCPSU in Moscow for transmission to the [REDACTED] brothers). A guy from the embassy brought Max a letter with a picture of the family."

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NY 694-S* told NEEDLEMAN that BUCK had made a brief reference to the [REDACTED] matter when NY 694-S* told BUCK that [REDACTED] had heard from the missing [REDACTED] brothers. (The informant reminded NEEDLEMAN that the latter had mentioned to him the fact that [REDACTED] had received a letter from the missing brothers). BUCK, the informant told NEEDLEMAN, was not surprised that [REDACTED] had received the letter from his brother, and mentioned that through the Soviets he had been able to trace "another family missing for two years."

b6
b7C

① New York (134-91) (P&C) (INVEST)(6)
1- New York (100-78633) (ISIDORE NEEDLEMAN) (6)
1- New York (105-11563) [REDACTED] (6)
1- New York (105-11491) [REDACTED] (6)
1- New York (100-111386) [REDACTED] (6)
1- New York (100-118948) [REDACTED] (6)

ACB:Jr
(6)

[REDACTED] 443
134-91-1303

NY 100-118948

NY 694-S*then inquired whether [] was happy, and whether he continued to hear from his brothers. NEEDLEMAN replied, "No, he hasn't heard since. He would like to get an address where he could write to them."

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b7C

NY 694-S*then mentioned that he expects to go to Toronto soon, and that TIM BUCK might be able to assist again in this matter. NEEDLEMAN said he thought it would be a good idea for MAX to write an unsealed letter to his brothers (so that BUCK might know the content thereof) and to have BUCK handle the transmission of the letter to the brothers as he had before (through Soviet channels). NEEDLEMAN indicated that he would discuss this suggestion with [] and that he would notify NY 694-S*if [] should decide to ask TIM BUCK's assistance in transmitting it to the [] brothers.

SAC, NEW YORK (100-78633)

4/8/58

SA [redacted] (#6)

ISIDORE GIBBY NEEDLEMAN, was
IS-R; ISA of 1950

b6
b7C

Source [redacted]

Reliability Who has furnished reliable
information in the past

Date of Activity 3/31/58

Date Received 3/31/58

Informant reported that JACK CHILDS conferred
with NEEDLEMAN at the latter's office and informed
him that he had some things that he wanted to talk
over with FRANK and [redacted] (presumably FRANK COE and [redacted])
[redacted] JACK related that he and NORMAN (presumably
NORMAN FREED) had talked over the deal with JACK
(presumably JACK COWAN) while they were in Canada,
and that JACK would be involved in "the thing", but
not in name.

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NEEDLEMAN told CHILDS that if "they" needed
to get in touch with CHI, who NEEDLEMAN said is not
in London, they can get the name of the person to
contact from [redacted] FRANK. NEEDLEMAN gave CHILDS
the home telephone number of FRANK COE as WA 4-5662
and his office phone as OR 9-8446.

b6
b7C

NEEDLEMAN asked CHILDS about SAM (presumably
SAM CARR) "up there". CHILDS reported that SAM
is okay, but would like to become active again.

1-New York (134-91) (INVE) (#6)
1-New York (100-96778) (FRANK COE) (#6)
1-New York (100-21785) [redacted] (#6)
1-New York (100-118948) [redacted] (#6)
1-New York (105-1322) (CHAO TING CHI) (#1)
1-New York (100-78633)

CET:jb
(6)

b6
b7C

[redacted] 9cB

NY 100-78633

NEEDLEMAN commented "Why doesn't he go back? The time is right." CHILDS then suggested that NEEDLEMAN write to him through SAM's wife, who now works in an attorney's office.

CHILDS then asked NEEDLEMAN if [] (presumably [] is satisfied, and NEEDLEMAN replied that [] would like to know how he can write to "them" (presumably the missing [] brothers). CHILDS suggested that possibly the "old man" (presumably TIM BUCK) could get an address for them to write to by this summer. NEEDLEMAN suggested that he might be able to get [] to write another letter for JACK to deliver to the "old man". NEEDLEMAN further suggested that it might be well for [] not to seal the letter so that "they" could check to see that it is okay.

b6
b7C

FBI

DATE: 4/8/58

Transmit the following in PLAIN TEXT
(Type in plain text or code)

Via AIRTEL
(Priority or Method of Mailing)

TO: DIRECTOR, FBI (100-397666)

FROM: SAC, NEW YORK (105-6061)

SUBJECT: [REDACTED] was;
IS - R & PO

Upon the subject's request, relayed to NY 694-S* by [REDACTED] the informant met with [REDACTED] on 4/4/58 at which time the following transpired according to NY 694-S* who provided this info on 4/7/58.

[REDACTED] had brought his 35mm Contax camera along which he said was out of focus. He asked NY 694-S* to have it repaired and also to have it appraised for a possible trade-in. NY 694-S* took the subject to a camera shop where a minor adjustment was made to correct the focus in [REDACTED] camera. When [REDACTED] was informed that the appraised value of his camera was \$113.00 he was indignant saying he felt the camera was worth much more. [REDACTED] decided to keep the camera.

- 10 - Bureau (100-397666) (RM)
 (1 - Bufile 100-87638 [REDACTED])
 (1 - Bufile 100-348330 J. KATZ-SUCHY)
 (1 - Bufile 100-21341 TIM BUCK)
 (1 - Bufile 100-3-81 CPUSA-INTERNATIONAL RELATIONS)
 (1 - Bufile 100-359323 [REDACTED])
 (1 - Bufile 100-408565 [REDACTED])
 (1 - Bufile 100-CP - CANADA)
1 - NY 100-21785 [REDACTED] (#6)
1 - NY 100-86601 (J. KATZ-SUCHY) (#18-0)
1 - NY 100-15140 (TIM BUCK)
1 - NY 100-86624 (CPUSA-INTERNATIONAL RELATIONS)
1 - NY 100-51166 (CP-CANADA)
1 - NY 100-68934 [REDACTED]
1 - NY 100-102429 [REDACTED] (#6)
① - NY 134-91 (P&C INVES.) (#6)
1 - NY 105-6061)

EL:rlf(#6)
(20)

Approved: _____ Sent _____ Per _____
Special Agent in Charge

134-91-1305

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[REDACTED] 498

NY 105-6061

[] later asked NY 694-S* to brief him regarding the activities of the CP, "Right-Wing" group. He said he wanted this information for (JULIUSZ) KATZ-SUCHY (Polish Ambassador to India). He asked NY 694-S* to arrange that CP literature be sent to KATZ-SUCHY, whose address is 22 Golf Links Area, New Delhi, India, on a regular basis.

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[] also requested NY 694-S* to arrange with TIM BUCK of the Canadian CP to have Canadian CP literature sent regularly to KATZ-SUCHY. KATZ-SUCHY, in turn, would send literature to TIM BUCK and to the CPUSA. BUCK is to tell NY 694-S* to what address he wants KATZ-SUCHY to send this literature. NY 694-S* gave [] the address of [] as a drop to which KATZ-SUCHY should send literature to informant for transmission to CPUSA. []

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b7C

[] - She would pick up literature and give it to NY 694-S*).

[] said KATZ-SUCHY is scheduled to come to the US at the UN in September, 1958.

According to [] KATZ-SUCHY has invited the subject [] to come to India as his house guest and to stay as long as she desires. The subject said he would like [] to go but he doubted that she could get a passport.

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In the course of their meeting, NY 694-S* said [] also commented on personal matters such as the death of his son, RICHARD, and the fact that he is currently unemployed. No mention was made by [] of any impending trip by him outside New York City. [] said his wife is in a very depressed state as a result of their son's death and he did not dare leave her alone. [] said

NY 105-6061

he and his wife feel responsible for their son's suicide; NY 694-S* told [] he did not feel this was so and sought to comfort the subject along this line. [] apparently was impressed by what NY 694-S* had to say and he asked the informant to come to his residence on the evening of 4/10/58 and say the same thing to his wife.

[] have indicated recently that the subject has been urging his wife to accompany [] who has been visiting the [] for a rest to Winnipeg, Canada, where [] resides. The subject's wife, however, is reluctant to go anywhere without the subject at this time. [] returned to Canada on 4/6/58 apparently failing in her attempt to have [] accompany her.

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Notwithstanding [] amenability to meet with NY 694-S* on 4/10/58, the NYO will continue to be alert for any signs of subject's departure for Mexico.

The Bureau will be kept advised.

POWERS

DIRECTOR, FBI (100-3-102)

4/7/58

SAC, NEW YORK (100-128861)

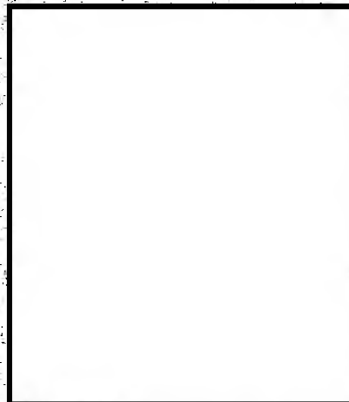
CP, USA - FUNDS
(RESERVE FUNDS)
IS-C

ReBulet 3/13/58.

On 3/28/58, NY 694-S* furnished SA [redacted] a list of CP donors, which he will provide to ROBERT THOMPSON, CP, USA Organizational Secretary, in the near future at latter's request and concerning which request the Bureau has been previously advised. NY 694-S* stated he may add "one or two" additional names to above list, if he recalls the names of other former contributors prior to the time he contacts THOMPSON. The Bureau will be advised of such additions, if they are made.

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b7C

The following names are on above mentioned list:



LEON JOSEPHSON
STANLEY LEVISON



b6
b7C

3- Bureau (100-3-102) (RM)
(1- 100-3-63)
②- New York (134-91) (PAC) (INVEST)
1- New York (100-74560) (19)
1- New York (100-128861)
AJH:jr
(6)

134-91-1306

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[redacted]

b6
b7C

NY 100-129861

b6
b7c



4/11/68

NY - 100-6061

depressed over the suicide of their son, to the point where they appear to be "mentally sick". The informant said that both the subject and his wife are under medical care, and give no indication of leaving NYC in the immediate future.

When NY 604-S* suggested seeing the subject next week, the latter was uncooperative, saying the informant need only to call him to confirm the time and date.

From the foregoing, it would appear that the subject does not intend to leave NYC in the immediate future, at least not without his wife.

Since [] has told NY 604-S* that the latter may use his camera, it is contemplated, UACB, that the informant will take some innocuous snapshots with this camera at sometime in the future. It should be noted that [] can use this camera in order to make "microdots" as he has exhibited to the informant in the past. It is felt that samples of photos taken with this camera may be of some future evidentiary value in this case.

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The trip of the [] to Mexico appears to be coincidental with the subject's previously expressed desire to visit there this spring, and therefore, no coverage of this trip is contemplated at NY.

Above for information.

P O W E R S

4/21

OFFICE MEMORANDUM * * * * UNITED STATES GOVERNMENT

TO : DIRECTOR, FBI (100-3-102) DATE: April 15, 1958
FROM : SAC, CHICAGO (100-34108)
SUBJECT: COMMUNIST PARTY - USA
FUNDS (RESERVE FUND)
INTERNAL SECURITY - C

IT IS TO BE NOTED THAT THE BUREAU HAS ADVISED THE CHICAGO AND NEW YORK DIVISIONS THAT COPIES OF REPORTS ON THE RESERVE FUND HAVE NOT BEEN DISSEMINATED DUE TO THE EXTREMELY SENSITIVE NATURE OF THE INFORMATION REPORTED AND THE SOURCES INVOLVED. THE BUREAU ALSO ADVISED THAT SUPPLEMENTAL INVESTIGATION MUST BE CONDUCTED ONLY IF THERE IS NO CHANCE OF COMPROMISING CG 5824-S*, AND THAT NOTHING SHOULD BE ATTEMPTED WHICH WILL IN ANY WAY INTERFERE WITH THE WORK OF CG 5824-S* ON THE NATIONAL AUDITING COMMITTEE OF THE COMMUNIST PARTY - USA.

CG 5824-S*, on April 7, 1958, made available to SA JOHN E. KEATING four dictaphone memo belts, which were transcribed by Stenographer [REDACTED]. The information on the following pages is contained in this transcription, which is located in Chicago file A/134-46-4508.

b6
b7C

- 4 - Bureau (REGISTERED)
 - (1 - 100-3-63)(CP-USA, Funds)
 - (1 - 100-3-104)(CP-USA, Counter-Intelligence Program)
- 1 - Detroit (100-13740)(HELEN WINTER)(REGISTERED)
- ④ - New York (REGISTERED)
 - (1 - A/134-91)(NY 694-S*)(P & C)(Info)(#6)(INVES)
 - (1 - 100-74560)(CP-USA, Funds)(#19-1)
 - (1 - 100-128314)(CP-USA, New York District, Funds)(#19-2)
 - (1 - 100-128861)(CP-USA, Funds)(Reserve Fund)(#19-1)
 - (1 - 100-81338)(CP-USA, Security Measures)(#19-1)
 - (1 - 100-131666)(CP-USA, Southern Regional Committee)(#19-1)
 - (1 - 100-) (Camp Wingdale)
 - (1 - 100-) (Eloquent Press)
 - (1 - 100-) (F & D Corporation)
 - (1 - 100-51820)(Jefferson School of Social Science)
 - (1 - 100-) ("Morning Freiheit")

See ii page for additional copies.

134-91-1308

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[REDACTED] GCB

b6
b7C

CG 100-34108

New York copies (continued)

(1 - 100-) (Omega Music Corporation)
(1 - 100-31769) (Prompt Press) (#7-2)
(1 - 97-169) (Publishers New Press) (#7-2)
(1 - 100-70303) (Twelfth-Thirteenth Realty Corporation)
(1 - 100-129629) (WILLIAM ALBERTSON) (#19-1)
(1 - 100-13923) [REDACTED] (#19-1)
(1 - 100-56579) (PHIL BART) [REDACTED]
(1 - 100-111203) [REDACTED]
(1 - 100-20128) (ALEXANDER BITTELMAN) (#7-4)
(1 - 100-50806) (GEORGE BLAKE CHARNEY) (#12-15)
(1 - 100-) (JACK CHILDS)
(1 - 100-) ((FNU) COHEN)
(1 - 100-8057) (EUGENE DENNIS) (#19-1)
(1 - 100-93796) (PEGGY DENNIS)
(1 - 100-) (BEN DVOSIN)
(1 - 100-7658) (LEM HARRIS) (#12-13)
(1 - 100-) [REDACTED]
(1 - 100-111180) (STAN LEVISON) (#19-1)
(1 - 100-467) (WILLIAM LAWRENCE)
(1 - 100-52959) [REDACTED]
(1 - 100-66110) [REDACTED]
(1 - 100-50983) [REDACTED]
(1 - 100-) [REDACTED]
(1 - 100-23290) [REDACTED] (#12-14)
(1 - 100-18065) (JACK STACHEL) (#19-1)
(1 - 100-27452) (ROBERT THOMPSON) (#19-1)
(1 - 100-21421) (ALEXANDER TRACHTENBERG) (#19-1)
(1 - 100-18672) (MAX WEISS)
(1 - 100-19679) (ISADORE WOFSY) (#19-1)
(1 - 100-) [REDACTED]

2 - Philadelphia (REGISTERED)
(1 - 100-) (CP-USA, Funds) (Reserve Fund)
(1 - 100-) [REDACTED]

3 - Chicago
(1 - A/134-46-4508a)
(1 - 100-3470) (MORRIS CHILDS)

JEK:kw
(51)

April 7, 1958

Meeting Between MORRIS CHILDS, ROBERT
THOMPSON and HELEN WINTER in the National
Office of the Communist Party - USA

On Monday, March 31, 1958, at about 10:30 A.M., MORRIS CHILDS, BOB THOMPSON and HELEN WINTER met regarding the financial situation in the National Office of the Communist Party - USA. ISADORE WOFSY was present for only a part of the time. He said that he could not organize his time in order to meet with WINTER and CHILDS on that date. He suggested that the meeting with him be held on Tuesday morning. WOFSY was excused and was instructed to bring LEM HARRIS with him to the office of JACK CHILDS on Tuesday, April 1, 1958, at 10:30 A.M.

THOMPSON made his report in writing on the blackboard. He erased constantly. The gist of THOMPSON's report was that the Communist Party is in a bad way, financially, and that there has been a lot of looting of Party funds. He cited a number of examples. It is impossible to remember all of them in detail. These are some of the essential facts.

THOMPSON said that this looting began when the inner Party struggle opened up. Although they have no exact figures, they do know that a number of business enterprises were utilized either by individuals or by groups, particularly those affiliated with the GATES faction, in order to obtain money.

THOMPSON said that at one time GEORGE BLAKE CHARNEY had \$100,000. He was supposed to invest this money. He reported that this money was invested in negotiable securities and that he had given this money to a very reliable friend -- some attorney. When GEORGE BLAKE CHARNEY was asked about getting some of this money back, he said that this investment had not proven too profitable and it was reduced to a value of \$80,000. Despite many appeals by the Party leadership, both state and national, that he tell them who this attorney is so that they could talk to him, to this day CHARNEY has not given the name of this particular individual to anyone in the Party leadership. All that the Party has gotten from this \$100,000 so far is about \$8,000. According to THOMPSON, they are beginning to write this \$100,000 off as a loss. He emphasized the fact that CHARNEY may be maneuvering to appropriate this money, if there is any left, either for his own use or for the use of his group, or that he may even have used it during the factional struggle. THOMPSON qualified this last statement by saying that he is not charging CHARNEY with individual dishonesty; however, these are the facts.

Then THOMPSON cited the example of a print shop. He said that the Party originally put \$18,000 in some kind of a print shop. BEN DAVIS, formerly of Brooklyn and not to be confused with the Negro BEN DAVIS, and a person by the name of [] had something to do with this print shop. After a few months, they asked the District for additional money to be invested in this print shop. An additional forty some thousand dollars, perhaps \$45,000, was obtained from the New York District. There was a minority partner in the print shop. After a few months, or sometime in August, 1956, this print shop was liquidated and the so-called minority partner became the owner by buying the rest of the shares for a few thousand dollars. THOMPSON did not state the exact figure, but did say that it was less than \$8,000.

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In this connection, THOMPSON stated that it is obvious that somebody was taken for a ride -- namely, the Party. They may have used this gimmick of the print shop to acquire money which was later used either by these individuals or by the Right wing group.

Then THOMPSON said that sometime in 1957 BILL LAWRENCE asked for \$12,000 to invest in some partnership in some music publishing establishment. A partnership in this music publishing establishment was purchased. According to LAWRENCE, this establishment was not to be used to give anyone a job, but was to be used rather for the purpose of allegedly placing a few people, perhaps including himself, on the payroll so that, for Social Security purposes, the employer would be a private employer instead of being the Party. Later on, someone asked for more money to invest in this establishment ostensibly to make a profit which would go to the Party. However, after a few months, or sometime in the late fall of 1957, this partnership was also sold for a paltry few dollars. In this case, the minority partner once again became the sole owner of the establishment.

Then THOMPSON went into the Brooklyn matter. He said that to this day they have not been able to get anything from Brooklyn. Recently, however, [] agreed to the setting up of a committee by the New York District for the purpose of making an audit of the funds in Brooklyn. THOMPSON did mention that originally they had some apartment houses, a drug firm and some other businesses in Brooklyn, but most of these have been sold. Even what remains is not in liquid form. He implied that henceforth Brooklyn may be co-operating, but the individuals involved, who has what, the amount of money, the legal control of businesses,

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etc., are still a mystery to the district and to the national leadership.

THOMPSON did not put so much emphasis upon the mishandling of funds by the Leftists as he did upon the mishandling of funds by the Right wing. He also pointed out that the attorney, [REDACTED] seems to be involved in all of these transactions, both in the district and in the counties.

THOMPSON made no precise reports regarding New York State finances beyond the last few months. He repeated a previous assertion that [REDACTED] walked off with \$25,000 and that to this date none of this money has been returned.

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THOMPSON stated that there is no question but that hundreds of thousands of dollars were misappropriated by various individuals and groups. He also emphasized that the Party has no legal means of compelling any one of these individuals to return this money.

Then THOMPSON stated that the National Office has now made up a list of thirty individuals who are contributors or who have been contributors to the Party in the past. The names of these individuals have been divided among the Party leaders, who will visit with them, talk to them and try to get donations and contributions from them. He said that so far there have been few meetings between the Party leaders and these individuals. However, he cited an example of one case -- the name of the individual is not known to this reporter -- who has already contributed \$500. This individual was allegedly pleased that the Party people came to see him. Most of those who have been visited want to discuss problems other than finances. THOMPSON said that this part of the work has been neglected up to now. He said that he hopes that this list can be enlarged. He said also that perhaps some of those on the present list will refuse to contribute, but the Party leadership will at least know about it. THOMPSON then stated that this program would in no way conflict with the other groups of people who make contributions to the reserve fund. In other words, the national leadership will not be working at cross purposes with those persons receiving contributions from individuals for the reserve fund. There will not be a duplication of effort.

THOMPSON then stated that he wanted the National Auditing Committee, consisting of HELEN WINTER and MORRIS CHILDS, to bring in some recommendations on the control of finances, so that

there will be no repetition of the abuses which have been witnessed in the recent past.

During this discussion, most of THOMPSON's remarks were written on the blackboard. No notes could be taken by anyone present. This is why it is so difficult to remember figures. During this discussion, THOMPSON was informed by telephone that the United States Supreme Court decision in regard to the GIL GREEN and HENRY WINSTON case could affect him. From that moment on, while he made an effort, his mind was not on this discussion but on other matters, so it was agreed to terminate this discussion of finances.

Meeting Between MORRIS CHILDS, HELEN WINTER, ISADORE WOFY and LEM HARRIS

On Tuesday, April 1, 1958, there was a meeting between HELEN WINTER, MORRIS CHILDS, LEM HARRIS and ISADORE WOFY in the office of JACK CHILDS.

WOFY had little pieces of paper in his hands. He put these small pieces of paper on the table but never let them out of his hands. Yet, he asked the Auditing Committee to go over these figures. Since no notes could be made, the following is what could be remembered:

In January, 1957, there was a balance of \$185,500 in WOFY's funds or the national reserve fund. In January, 1958, the balance for this fund was \$61,609. Not all of this balance is in cash. Some of it is in the form of loans. The total income for the reserve fund in 1957 was \$78,951.

As well as can be recalled, WOFY gave the National Office of the Communist Party - USA \$131,104 in 1957. WOFY loaned \$18,000 to the New York District in 1957. \$100,000 went to "J". It is not known who "J" is. It may be JACK STACHEL. \$5,366 went to "B". This could be BITTELMAN. \$1,225 went for legal expenses. \$645 went to "M.W." These initials are those of MAC WEISS. \$200 went to PHIL BART, perhaps for severance pay. \$1,485 was for "PEGGY". This must be the wife of EUGENE DENNIS. \$21,500 went to the "Daily Worker". \$800 went to someone referred to only as "Y". \$7,717 went to somebody referred to only as "K". The total is \$172,842. Then he also had a figure of \$30,000, making the grand total of expenditures \$202,842. It is possible that this \$30,000 was spent in connection with the purchase of the building at 23 West 26th Street, the present headquarters of the Communist Party - USA.

WOFSY said that his biggest income is declining. In his secret notes the word "Chadae" (ph) signifies the building on 12th Street. He said that a number of lofts are now vacant in the building on 12th Street. Therefore, the income from the building has been reduced. He further stated that two floors are vacant and that more floors may become vacant. This means that the building will be operating at a loss, unless they rent additional space soon.

The name "LEE" signifies the LEVISON brothers in WOFSY's records. He said that "LEE" has not seen him for four months and has refused to see him up to now on the grounds of security. However, a few dollars have been coming in from "LEE". WOFSY said that he does not know whether they have cut down the contributions as a result of the business reverses due to the recession or whether it is due to the fact that they are politically in disagreement with the Party. They were in the scrap metal business. He said that he was supposed to see them or see one of them during the week of March 30, 1958. He said that if they did not show up, then he would know that someone else will have to try to meet with them. CHILDS asked who else could possibly see them, if they refused to see him. He replied that there is a good possibility that they may see EUGENE DENNIS. He said that DENNIS did talk to them at one time. They liked to talk politics with him. If the security angle can be solved, he may meet with them, unless they are determined to drop away. WOFSY indicated, however, that their political complexion is to the Left and not to the Right.

While those present were looking at WOFSY's assorted pieces of paper, he showed them his statistics for income and expenditures for the first three months of 1958.

The 1958 income is as follows:

January :	\$ 9,165
February:	1,438
March :	<u>2,622</u>
Sub total	\$13,225
Balance 1/1/58	<u>61,609</u>
Total :	\$74,834

The following are the expenditures for 1958:

January :	\$13,415
February:	10,700
March :	<u>8,039</u>
Total :	\$32,154

\$32,154, deducted from \$74,834, leaves a balance of \$42,680. Added to this is about \$3,000, which may be claimed from bail refunds. Thus, WOFPSY's fund has a balance of \$45,680 as of the end of March, 1958.

Here is how WOFPSY broke down some of the expenditures for 1958. \$11,000 went to BOB THOMPSON, probably for the National Office. \$7,000 went to the printer or Prompt Press. \$13,750 was given to the New York District as a loan. \$2,500 went to someone referred to only as "B". \$10,621 went to F & D. \$740 went to "S.S.", which is southern solidarity.

F & D Obligations

WOFPSY stated that the F & D has been liquidated. Machinery has been sold for \$20,000. There is a prospect for the sale of additional machinery for \$25,000. The F & D obligations amounted to \$50,000. Somebody in the Party signed notes for \$20,000. TRACHTENBERG also signed some notes, but WOFPSY did not indicate the amount of the notes signed by him. In any case, \$5,000 is still owed to TRACHTENBERG. \$10,600 is due to WOFPSY. The tax will be about \$3,400. They have to settle with the printers union and this may run between \$5,000 and \$6,000. WOFPSY said that they are trying to settle for two-thirds of what the printers union is asking for because the printer did other work besides newspaper printing. Because of this, it is felt that the union is not entitled to the amount it is claiming. In any case, the F & D organization has been wiped out.

The "Daily Worker" owed the F & D \$45,000. The "Daily Worker" had paid the F & D \$20,000, and \$12,500 was paid as a settlement for the \$45,000 obligation. WOFPSY said that the obligations resulting from the closing down of the "Daily Worker" amounted to \$65,000.

When the F & D was liquidated, the "Morning Freiheit" retained all the machinery it needed. Yet, the "Freiheit" owes \$15,000 to the F & D, which it refuses to pay. The "Freiheit" claims that it was in the partnership. WOFPSY said that this is not so, since the printing establishment was a separate corporation. WOFPSY suggests that the "Freiheit" pay at least \$5,000 on this \$15,000 obligation. Of course, this suggestion is made to the Party so that the Party will demand that the "Freiheit" pay this money. WOFPSY said that he believes that the "Freiheit" came out of this transaction unhurt so far.

Prompt Press

WOFSY then discussed Prompt Press. He said that the Party is not the legal owner of Prompt Press. He stated that a few years ago it was worth at least \$130,000. Now, if it was to be sold, it would be worth only \$65,000. He said that he had talked to COHEN, who manages this press. COHEN ostensibly states that he understands that he is not the owner, but WOFSY repeated, and LEM HARRIS agreed, that the Party has no way of retrieving its investment or of proving ownership in Prompt Press.

WOFSY and HARRIS stated that in regard to Prompt Press, the Party is at the mercy of COHEN and his wife, who seems to run the book binding department. Between them, they have an income of at least \$300 or more per week. However, if COHEN should decide to sell Prompt Press, the Party could not possibly get any money from him.

WOFSY cited an experience. Last year he gave COHEN \$10,000 to put away for him or to hold in trust until such time as WOFSY might need it. COHEN claimed that at the time he was negotiating for a loan at a bank and that he needed the loan for the business. The bank did not come through with the loan. Without asking permission of WOFSY, COHEN appropriated some of this \$10,000 which he was keeping for WOFSY and invested it in the business. To date, he has made no effort to pay back any of this money. The Party is, so to say, taking this out in trade. In other words, the Prompt Press is doing some printing for the Party and the Party is not paying the current bills until such time as the \$10,000 which COHEN used is exhausted.

It should be noted that the transaction by which WOFSY gave COHEN \$10,000 to keep for him is the method used for the safe-keeping of the reserve funds. The reserve funds are given to various individuals and these individuals are asked for it whenever the money is needed.

The Building at 23 West 26th Street

Regarding the building at 23 West 26th Street, WOFSY stated that the rent and upkeep runs to \$5,600 per year. According to WOFSY, the New York District has not paid any rent for the last year. He stated that the rent for the year 1958 has to be paid in advance on April 1, 1958. It should be pointed out that subsequently BILL ALBERTSON denied to MORRIS CHILDS and HELEN WINTER

that the New York District rent had not been paid. He said that the rent was paid to [redacted] While this could not be proven or disproven at the time, it should be noted that there are discrepancies regarding the payment of rent by the New York District.

[redacted] Farm in Pennsylvania

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WOFSY again talked about the [redacted] farm in Pennsylvania. He said that this farm has been sold. They gave permission to [redacted] ANDY, who was living on the farm, to sell it and to build a new home. This permission to sell was granted because the buildings were in bad shape and it would not have paid to rebuild them. Since they were obligated to keep ANDY on the farm until his death, and since he is an experienced do-it-yourself builder, they agreed to buy some land and an old abandoned school house. He is rebuilding this school house and there is a stipulated agreement that this property will revert to the Party upon the death of ANDY. Since LEM HARRIS handled this transaction, it is assumed that he signed the agreement.

Camp at Wingdale, New York

WOFSY said that the camp at Wingdale, New York, is a losing proposition. They leased it to some people who managed the camp previously. A five-year contract lease has been signed. If this camp is run at a profit, the District and National Office can make \$5,000. There is a \$30,000 mortgage on the camp. The value of the camp is \$125,000. Less taxes, \$30,000 could be realized if the camp were to be sold. In the meantime, however, they are going to try this lease and contract arrangement to see if they can make a little money in this manner.

The [redacted] Home

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There is still \$9,000 due from the [redacted] home. He is paying \$65 per month, or \$780 per year.

The Jefferson School of Social Science Fund

The Jefferson School of Social Science fund is in the hands of TRACHTENBERG. This fund resulted from the sale of the building on the Avenue of the Americas. WOFSY said that he knows very little about this fund, except that it is in the hands of TRACHTENBERG.

Bail Funds

WOF SY said that there is some money involved in bail. He stated that they met all genuine claims for refunds. They not only honor those who have receipts, but sometimes honor claims without receipts if the claimant has witnesses. He cited an example in which a widow brought witnesses and proved that her husband had given money to a bail fund.

Then WOF SY said that there may be some trouble regarding this bail fund. He said he signed a receipt for \$19,500 in bail funds he received from the New York District. The receipt was given to the New York District and the National Office assumed responsibility for any claims. He said that since no one could give any accounting for this fund, people may make claims exceeding the total sum in the fund. This was the reason for citing the example of the widow who had witnesses. WOF SY said that these claims have to be honored in order to be able to get bail funds in the future. If word got around that claims were not being honored because of some technical error, this would impede the collection of funds or money for bail bonds in the future.

COMMENTS OF CG 5824-S*

If the figures in this report do not balance, it is not my fault. It is impossible to make heads or tails out of these pieces of paper which WOFSY carries around in his pocket.

HELEN WINTER and MORRIS CHILDS had meetings with BILL ALBERTSON and [redacted] on Tuesday afternoon, April 1, 1958. The result of these meetings showed discrepancies. For example, the National Office financial statement for 1957 shows contributions of \$121,000 in round figures. According to WOFSY, the contributions during 1957 amounted to \$131,104. It is possible that the additional \$10,000, in round numbers, was spread around and listed under different headings, but so far we have been unable to unravel this mystery. b6 b7C

A similar situation applies to WOFSY's claims against the New York District. It will be recalled that in July, 1957, WOFSY mentioned an estate which was to be shared by the National Office and the New York District. He insists that \$16,500 is due to the National Office from the estate. ALBERTSON said that this is not exactly so. ALBERTSON said that while it is true that \$33,000 was involved in this estate, the National Office has already received many thousands of dollars, while the New York District Office has received only about \$1,500 thus far. The New York District does not consider that it has any obligations to the National Office in regard to this estate until it obtains enough money from the estate equal the amount already received by the National Office.

WOFSY also claimed that the District Office owes him \$1,250 on some loan or in some transaction in which the District Office was short by this amount. He said that [redacted] owes him \$7,500. Someone referred to only as [redacted] owes him \$840. The District Office also owes him \$100 on the exchange of a bond. He also claims that the New York District owes \$15,000, since the District was supposed to repay the National Office for an outlay of this sum for the "Daily Worker" and "The Worker". He claims that if the sum of \$16,500 due from the estate is included, the New York District owes him \$39,100. This does not include whatever money the District may owe to [redacted] or the official bookkeeping department of the National Office. b6 b7C

Perhaps if we were able to lay our hands on WOFSY's pieces of paper and it became a point of discussion, we could make heads or tails out of them. His hands shake and in his monosyllables he tries to tell a story and to demonstrate that his account balances.

The National Auditing Committee complained about this. Undoubtedly when this committee makes its report to the National Executive Committee, possibly around April 21, 1958, it will insist on a different bookkeeping system for the reserve fund. Since WOFSY has asked to be relieved of his position sometime in July, or not later than Labor Day, it may be easier to work with his successor or the records of the successor may be in better shape and may be made available to us. The logical candidate as WOFSY's successor is LEM HARRIS.

If this seems like a mixed up report, that is exactly what it was. Except for these few general figures on income and some expenditures, it is hard to figure out the details. The only reason we know the identity of [] is that HARRIS said: You know these people, the two brothers. It was necessary to ask pointblank what "Chadac" (ph) referred to. b6 b7C

It is possible that these mixed up figures, in the hands of an accountant or an expert, could have some meaning, if compared with the more legible accounts in the official Party statement.

It is my personal belief that the financial situation in New York State, the misappropriation of funds in New York State, the Brooklyn scandal, and the misappropriation of funds by [] are no longer secrets. They are undoubtedly known by scores, if not hundreds, of people.

For security reasons, it may be inadvisable at this juncture to do anything in regard to the reserve fund and very little can be proven in this connection. However, if something can be done in regard to the other transactions, if some of these things could be exposed to the public eye, public scrutiny, it would make it very difficult for them to obtain funds in the future and it would undoubtedly affect the reserve fund.

We have an understanding with BOB THOMPSON that another committee, in addition to the WOFSY Committee, may be set up to handle funds. The Reserve Fund Committee would remain under WOFSY or LEM HARRIS, and the new committee would work independently of this Reserve Fund Committee. JACK CHILDS has been mentioned for the new committee.

To repeat, the Auditing Committee will make a report. Perhaps more details will be available at that time. The Auditing Committee will make a point of the fact that unless the receipts

and scraps of paper which WOFSY carries around or hides are made available, it is very difficult to figure anything out. It is difficult to press this any further, since HELEN WINTER usually refuses to sign these auditing accounts. She wants the Auditing Committee dissolved. Even though these accounts are mixed up, since we do not at this time know all the details, an effort will be made to continue the Auditing Committee.

SAC, NEW YORK (100-13923)

4/23/58

SA [redacted]

SM-C

Source
Reliability

NY 694-S (protect)
who has furnished
reliable information
in the past.

Date of Activity
Date Received
Received by

4/17/58
4/17/58
SA [redacted]

On 4/17/58, NY 694-S advised that on the
aforesaid date [redacted] until recently, [redacted]
[redacted] at the Communist Party National Office, stated that
he is now employed as [redacted] at the Hotel Diplomat, 108
West 43rd St., New York City. According to [redacted] he works a
[redacted] shift.

In the course of conversation, [redacted] mentioned
that GEORGE BLAKE CHARNEY is currently employed as manager at
a printing shop in Brooklyn; that [redacted] is about to get
a job without salary at a printing plant, where he will learn
offset printing; that BILL LAWRENCE (WILLIAM LAZAR) has not
procured a position yet; and that SID STEIN is working part
time as a butcher. [redacted] did not identify the companies where
any of these individuals are allegedly employed.

[redacted] told NY 694-S that his new position will
require that he be bonded, and requested that NY 694-S write
a favorable recommendation for him if the bonding company to
which [redacted] furnished the informant's name as a reference
should contact NY 694-S regarding [redacted]

- 1-New York (134-91)(1 VES)(6)
- 1-New York (100-50806)(GEORGE BLAKE CHARNEY)(19-2)
- 1-New York (100-50090)(SIDNEY STEINBERG)(19-A)
- 1-New York (100-18673)([redacted])(19)
- 1-New York (100-467)(WILLIAM LAZAR)(19-2)
- 1-New York (100-80641)(CP, USA-ORGANIZATION)(19)
- 1-New York (100-13923)(12-12)

AOB:MEM 4-
(7)

134-91-1309

SEARCHED	INDEXED
SERIALIZED	FILED
APR 23 1958	
FBI NEW YORK	

NY 100-13923

[] promised to furnish NY 694-S with any information he may obtain concerning the activities of the Communist Party "right-wing."

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4/26/58

PLAIN TEXT

AIRTEL

TO: DIRECTOR, FBI (61-2115)

FROM: SAC, NEW YORK (100-86624)

SUBJECT: ALEXANDER TRACHTENBERG
IS - C

NY 694-S* furnished the following information
on 4/25/58.

ELIZABETH MASCOLO (TIM BUCK's girlfriend) arrived
in NYC from Canada on 4/23/58 in connection with another
matter (concerning "Solo"; IS - C, Bufile 100-428091).
MASCOLO indicated she had money for TRACHTENBERG from
the Soviet Embassy in Ottawa, Canada.

NY 694-S* informed TRACHTENBERG that MASCOLO
wanted to see him. The three of them met at Schraffts
Restaurant, 5th Avenue and 23rd Street, NYC. MASCOLO
handed TRACHTENBERG an envelope which she said contained
\$6,000.00 in cash in hundreds and fifties, and had
TRACHTENBERG sign a receipt. The receipt was itemized,
but NY 694-S* was unable to see it. MASCOLO said part
of the money goes to the three authors. She indicated

- 3 - Bureau (61-2115) (ATL GREEN) (RM)
- 2 - Chicago (100-) (AM) (RM)
- 1 - NY 134-911XVRS.
- 1 - NY 100-57446 (ELIZABETH MASCOLO)
- 1 - NY 100-21421 (TRACHTENBERG)
- 1 - NY 100-86624 (CPUSA, INTERNATIONAL RELATIONS)

CQS:efb
(10)

1 - Supervisor, #19

Tom

134-91-121086

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NY 100-21421

in her conversation, that one was GIL GREEN, who had written a book in hiding, and that the money was to go to GIL GREEN [REDACTED]

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TRACHTENBERG was upset because the money was given to him in a public place and said, "how come it's coming from your way, I always get it from here." MASCOLO said, "My gosh, you are the one who asked him to do this for you; he was nice enough to do so, why such questions." TRACHTENBERG did not reply directly, but said, "I was expecting more."

TRACHTENBERG then asked NY 694-S* to walk home with him because he was nervous carrying the money.

During the walk, TRACHTENBERG complained to NY 694-S* that it was the first time it ever happened that way. NY 694-S* told TRACHTENBERG he should be grateful that TIM (BUCK) had done this for him.

TRACHTENBERG then remarked to NY 694-S* about the bad financial situations in the Party. He said he too was asked to give what he could from the business to the Party, and the Party took the surplus from the business (International Publishers Company).

TRACHTENBERG asked NY 694-S* if he knew how much the "right wing" had exhorziled from the Party.

NY 100-21421

TRACHTENBERG said "Speaking of losing money, did you know that when 'Red' GOLOS died, a large bulk of money that he had in a safe deposit box was lost to us." NY 654-S* remarked he was sure (ELIZABETH) BREWSTER got it. TRACHTENBERG replied "I'm sure she didn't - I'm sure she did not know about it - Nobody knew about it."

On 4/23/56, Chicago was advised by telephone concerning another parcel of money bought to NYC by MASCOLO to be given to CB 5824-S*. In connection with the parcel of money given to TRACHTENBERG, the Bureau has instructed that all possible investigation be conducted to trace the channels through which this money will be disbursed by TRACHTENBERG to the recipients, particularly GIL GREEN [redacted]. Identifying data, such as serial numbers, should be obtained. Ultimate use of the money should be determined.

Chicago is requested to institute all logical coverage on GIL GREEN [redacted] to ascertain if she receives any of the aforementioned money.

NYO will maintain file on TRACHTENBERG and will attempt to develop a highly confidential source at TRACHTENBERG's office and residence.

POWERS

SAC, NEW YORK (100-70303)

March 28, 1958

SAC, CHICAGO (100-34797)

TWELFTH - THIRTEENTH REALTY CORPORATION
INTERNAL SECURITY - C

Re New York letter to Chicago, dated March 19, 1958.

CG 5824-S* orally furnished the following information to SA JOHN E. KEATING on March 27, 1958:

(1) CG 5824-S* advised that WILLIAM WEINER was responsible for making [redacted] the building at 35 East 12th Street, New York City. While [redacted] may have been appointed to this position by [redacted] of KARL BROWDER, [redacted] was working for WEINER in the reserve fund operation. CG 5824-S* advised that NY 694-S* may have information in this regard.

(2) CG 5824-S* has no information in regard to the activities of the captioned organization which has been the subject of reports made to the Communist Party. CG 5824-S* advised that the details of the operation of this organization would be known to only a few persons, such as WILLIAM WEINER, while he was alive, and ISADORE WOPSY. Any report on the activities of this organization would be made only to a subcommittee consisting possibly of the person in charge of the reserve fund, the National Organization Secretary, or the National Treasurer.

(3) Any funds or other support received by the captioned organization from or at the instigation of the Communist Party would be known only to WEINER, later WOPSY, or possibly a representative of WOPSY. Any such funds would be handled as part of the reserve fund operation and would not be acknowledged as part of the assets of the Communist Party. The captioned organization would be handled as an organization set apart from the Party.

③ - New York (REGISTERED)
41 - A/134-91 (NY 694-S*) (P & C) (Info) (#6) (IRVES)
3 - Chicago
(1 - A/134-46)
(1 - 100-34108) (CP-USA, Funds) (Reserve Fund)

JEK:kw
(6)

134-91-13111

SEARCHED	INDEXED
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CG 100-34797

(4) Any orders issued by the Communist Party to the subject organization would be known only to a sub-committee consisting possibly of the person in charge of the reserve fund, the National Organization Secretary, the General or Executive Secretary, or the Treasurer. Any such orders would not be the result of a decision by any of the official leadership bodies of the Communist Party - USA.

CG 5824-S* further advised that in his opinion, it would be difficult, from a legal standpoint, to prove the real ownership of the building at 35 East 12th Street, New York City. CG 5824-S* explained that corporations within this building have been re-organized from time to time and that even dummy corporations have been set up for the purpose of disguising the real owners of the building and the corporations within the building.

RUC.

Office Memorandum • UNITED STATES GOVERNMENT

TO : SAC NEW YORK (100-21785)

DATE: April 23, 1958

FROM : SA [REDACTED]

SUBJECT: [REDACTED] was
IS-R, ISA-50

By letter dated 4/9/58, the Bulab forwarded to the NYU the Whittaker Micro 16 Pixie camera and one magazine of film which had been obtained by the Phila. office. On 4/18/58 the camera and magazine were turned over to SA Burlinson for transmittal to NY 694-S*, who will in turn give them to [REDACTED] SA [REDACTED] xxx will instruct the informant to advise [REDACTED] that the informant while browsing through the many camera shops along Sixth Ave, ran across the above camera and film container with film and since the whole thing cost only 1.95, decided on the spot to purchase same for Brown. The informant and [REDACTED] have previously discussed the above camera and others and [REDACTED] has solicited the informants help in obtaining same.

1cc 134-91 #6 (INVEST)
1cc 100-21785 #6

134-91-1312

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APR 23 1958	

[REDACTED]

ack ✓

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SAC, LOS ANGELES

4/29/58

SAC, NEW YORK (100-133638)

COMMUNIST PARTY, USA
SOUTHERN CALIFORNIA DISTRICT
IS-C

On 4/18/58, NY 694-S* obtained a copy of "Southern California Party Forum," dated March, 1958, and designated Vol. 1, No. 2. This was secured by the informant from [redacted] [redacted] clerical employee at the National Office of CPUSA.

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The copy obtained is furnished as an enclosure to this letter.

2-Los Angeles (Encl. 1) (RM)
①-New York (134-91) (Inves.) (6)
1-New York (100-68934) [redacted] (12-11)
1-New York (100-133638)

JVW:ngb
(5)

134-91-1313

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[redacted] 403

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4/30/56

AIRTEL

TO: DIRECTOR, FBI (100-3-69)
FROM: SAC, NEW YORK (100-88641)
SUBJECT: CP, USA ORGANIZATION
IS-C
CTUAL

NY 634-24 advised SA [redacted] on 4/30/56 that according to JAMES JACKSON, CP, USA Secretary in charge of Negro work, no one as yet has been appointed to replace ROBERT THOMPSON as CP, USA Organizational Secretary. Until such time as some one is appointed, [redacted] will handle THOMPSON's "dom work," and his other work will be handled by JACKSON, [redacted] of the Cleveland CP, and [redacted] at CP National Office.

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FORWIS

3 - Bureau (100-3-69)(RM)
2 - Cleveland (100- [redacted]) (RM)
(1 - 100- [redacted] CP, USA ORGANIZATION)
1 - New York (100-16785) (JAMES JACKSON) (7-5)
1 - New York (100-16921) [redacted] (12-14)
1 - New York (100-27452) (ROBERT THOMPSON) (7-5)
1 - New York (100-68914) [redacted] (12-11)
1 - New York (100-105876) [redacted] (7-5)
1 - New York (154-41) (PAC) (INVER) (7-5)
1 - New York (100-88641)

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ACB:KIN (#6)
(12)

134-91-1314

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[redacted] [signature]

DIRECTOR, FBI (100-3-83)

4/30/58

SAC, NEW YORK (100-89691)

CP, USA
DOMESTIC ADMINISTRATION ISSUES
IS - C

On 4/18/58, NY 694-S* obtained copies of the following documents from [redacted] clerical employee at the National Office of the CP, USA:

1. Four page throwaway: "A People's Program for Jobs and Security", issued by the National Committee, CPUSA.

2. Mimeographed letter, undated, signed by [redacted] and addressed to all members of the National Committee and all districts. This letter reviews information or current activity looking toward halting the testing of nuclear weapons and requests information on what is being done locally on that issue.

One copy of each of these documents is furnished the Bureau as enclosures.

One copy of each is retained as an exhibit in NY 100-89691-1B 98 and 1B 99.

2 - Bureau (100-3-83) (Encls. 2)
1 - New York (134-91) (Inves.) (#6)
1 - New York (100-16021) [redacted] (#19-1)
1 - New York (100-89691)

DJB:ecb
(5)

1315

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[redacted] 1000

DIRECTOR, FBI (61-330)

5/1/58

SAC, NEW YORK (100-9355)

WILLIAM Z. FOSTER
IS-C; SA-1940; ISA-1950

ReBulet 4/11/58. A review of information furnished by NY 694-S* fails to reveal the information in question. It seems significant that FOSTER, on 4/3/58, stated he had no recollection of the particular event.

NY 694-S*, contacted by SA [REDACTED] on 4/30/58, denied that he had ever had any conversation with FOSTER or the Canadian CP relative to the matter of funds for a house for FOSTER.

It is to be noted that the matter of a house for FOSTER was discussed initially about six months ago.

In view of the above, it does not appear inconceivable that [REDACTED] knowing that she would most likely benefit from any house acquisition by the FOSTERS, considering their advanced ages, might have attempted to implant this source in the mind of FOSTER as a means of obtaining the necessary revenue. This office will be alert to the possibility of such a plan materializing and will advise the Bureau promptly of developments.

2 - Bureau (61-330) (RM)
1 - Newark (100-40191) [REDACTED] (RM)
1 - New York (100-47536) [REDACTED] (7-6)
1 - New York (134-91) (6) (INDEX)
1 - New York (100-9355)

JLF:mad
(6)

61-330-1316

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[REDACTED] [initials]

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DIRECTOR, FBI (100-3-86)

5/1/58

SAC, NEW YORK (100-81675)

COMMUNIST PARTY, USA
PAMPHLETS AND PUBLICATIONS
IS-C

On 4/28/58, NY 694-S* provided two copies of a mimeographed letter to all National Committee members and District Organizers, signed by JAMES E. JACKSON and dated 4/24/58.

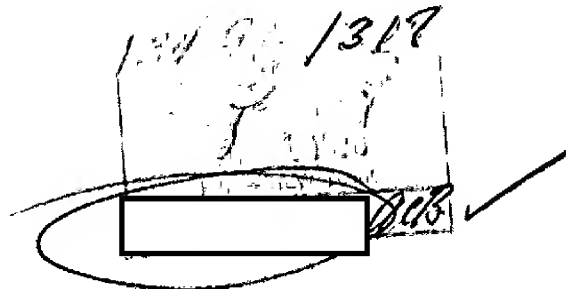
This letter declares that the entire CP Organization is urged to enter the campaign to sell tens of thousands of PAUL ROBESON's book "Here I Stand". Belief is expressed that CP members can bring about sale of 40,000 copies. It is urged that orders be placed, at a discount with New Century Publishers of New York and quotas making up the 40,000 are listed for the Districts. Copies of orders are to be sent to the CP National Office to provide a control on response to the campaign.

A copy of the letter is enclosed for the Bureau's information.

One copy is retained in NY 100-81675-1B488.

- 2 - Bureau (100-3-86) (Encl. 1) (RM)
- 1 - New York (134-91) (Inves) (6)
- 1 - New York (100-16785) (JAMES E. JACKSON) (7-5)
- 1 - New York (100-25857) (PAUL ROBESON) (12-15)
- 1 - New York (100-10989) (New Century Publishers) (7-2)
- 1 - New York (100-81675)

JVW:jmd
(7)



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b7c

5/1/58

PLAIN TEXT

AIRTEL

TO : DIRECTOR, FBI (100-3-81)
FROM : SAC, NEW YORK (100-86624)
SUBJECT: CPUSA-INTERNATIONAL RELATIONS
IS-C

On 4/30/58, JAMES E. JACKSON furnished to NY 694-S* copies of the following documents for transmittal to TIM BUCK, head of the Labor Progressive Party of Canada:

1. Pamphlet entitled, "The South's New Challenge", by JAMES E. JACKSON, published 1957, New Century Publishers, New York.

2. 47 page mimeographed article by HARRY HAYWOOD, "For A Revolutionary Position on the Negro Question". A prefatory note explains this is a first draft and is for personal use only, and not for general distribution.

The Bureau has been previously furnished copies of the foregoing.

On the same date, 4/30/58, NY 694-S* furnished these documents to SA [redacted] and Photostat copies were made. These are retained as exhibits as 100-86624-1B 249.

- 3 - Bureau (100-3-81) (RM)
- ① - New York (134-81) (INVS) (6)
- 1 - New York (100-61495) (HARRY HAYWOOD) (12-11)
- 1 - New York (100-16785) (JAMES E. JACKSON) (7-5)
- 1 - New York (100-87211) (CPUSA-PACIFIC NAALISM) (7-5)
- 1 - New York (100-80640) (CPUSA-Negro Question) (7-5)
- 1 - New York (100-131666) (CPUSA-Southern Region) (7-5)
- 1 - New York (100-86624) (7-5)

JVW:kte
(11)

100-86624-1318

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#6

5/3/58

PLAIN TEXT

AIRTEL

REGISTERED MAIL

TO: DIRECTOR, FBI (61-8115)
 FROM: SAC, NEW YORK (100-81481)
 SUBJECT: ALEXANDER TRACHENBERG
 IS-C

Re NY telephone call to Bureau 5/2/58.

Requirtel 4/24/58, concerning \$5,000.00 from the Soviet Embassy in Canada delivered to subject by ELIZABETH MANDOLO, NY 694-A advised on 5/2/58, that on said date he conferred with TRACHENBERG at latter's office. Subject again complained about manner in which money was delivered to him, and stated that if, in future, MANDOLO should have business with him, she should come to his office. He said that since she also is in the book business, it would be a normal procedure for her to do business with him at his office.

TRACHENBERG stated that one of the authors to whom he is to deliver part of the money from the Soviet Embassy is "O'Connor", who is not known to him, and the identity of whom he desires NY 694-A to establish through the USSR. TRACHENBERG said that

1-Bureau (61-8115) (RM)
 1-Chicago (134-45) (RM)
 1-New York (100-81481) (ELIZABETH MANDOLO) (P)
 1-New York (100-81481) (NY-USA INTERNATIONAL RELATIONS) (77-5)
 1-New York (100-81481) (NY-USA RESERVE FUNDS) (77-5)
 1-New York (100-81481) (NY O'CONNOR) (77-2)
 1-New York (134-45) (A C) (INVS) (P)
 1-New York (100-81481) (CHURCH RECORDS) (77-5)
 1-New York (100-81481) (TRACHENBERG) (77-5)

WGS:msf
 (13)

134-91-1319

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NY 100-81481

he knows of an author named HARRY O'CONNOR, but that he never has been business with said author. He mentioned that the Soviets sometimes translate and publish the works of an author without the latter's permission, and subsequently send him a check in payment.

Referring to repatriates from the Soviets, TRACHENBERG said that "sometimes the money comes through legally and I split 50/50 with the author." TRACHENBERG, referring to the money given him by SACCOLO, said, "When it rains, it pours." He stated that at the time when he received the money from SACCOLO, he also received money from the Soviet Embassy here (USA) "for the same kind of business." He said, "The (Sack) really stirred things up."

TRACHENBERG said he had been "dealing with these things for a long time (receiving money from Soviets)". He stated he has been receiving money from the Soviet Embassy in Washington and from "a head in guy from the South". (Informant does not understand reference to the South.) TRACHENBERG said that he has been in touch with TERRY (EDWARD TERRY) regarding these matters.

TRACHENBERG requested the assistance of NY 54-3 in converting \$2,000.00 of the money he received from SACCOLO into other cash. He stated as his opinion that banks round the serial numbers of all bills in higher denominations than \$20.00. It was agreed that at 3:00 p.m. on 5/1/50, NY 54-3 would give TRACHENBERG

NY 100-81481

\$2,000.00 in 20 dollar bills - "older bills, not in series" - and at that time THACHENKOW would give NY 534-S the \$2,000.00 obtained from SACHOLO. (This operation is in accordance with previous transactions between NY 534-S and THACHENKOW when NY 534-S originally was active in the CP Reserve Fund operation.)

THACHENKOW stated that he intended to ask NY 534-S to assist in converting some of the money received by THACHENKOW from SACHOLO when NY 534-S next comes to NY. THACHENKOW is unaware of NY 534-S' current whereabouts. THACHENKOW also indicated that "Sam and Al" is assisting him in converting the money from the Soviets.

In accordance with referenced telephone call the NYO will obtain \$2,000.00 in cash from a local bank, record the serial numbers, and make this money available on 5/1/58 to NY 534-S, who will then make the exchange with THACHENKOW.

FOUR

5-12

FBI

Date: **8 MAY 1958**

Transmit the following in _____

Via AIRTEL

(Type in plain text or code)

(Priority or Method of Mailing)

TO: DIRECTOR, FBI (100-364447)
FROM: SAC, NEW YORK (100-96778)
SUBJECT: VIRGINIUS FRANK COE, was
ESPIONAGE - R

Remyairtel 4/2/58 to Bureau and Chicago.

NY 694-S advised on 5/5/58 that on 5/2/58 he conferred with FRANK COE and [redacted] regarding the China trade operation.

NY 694-S told COE and [redacted] that when he was in Toronto in April, conferring with TIM BUCK about other matters, the latter mentioned that as yet the Canadians had received no communications from the Chinese concerning the trade operation. The informant also told COE and [redacted] that in

- 6 - Bureau (100-364447) (RM)
 - (1 - 65-62041) (SASH)
 - (1 - 65-58751) (SOLOMON ADLER)
 - (1 - 100-3-63) (CP, USA-FUNDS)
 - ① - Chicago (100-Sash) (Info) (RM)
 - ① - New York (134-91) (P&C) (INVS) (6)
 - 1 - New York (100-78633) (ISIDORE NEEDLEMAN) (6)
 - 1 - New York (100-85051) (MILTON FRIEDMAN) (6)
 - 1 - New York (100-21785) [redacted] (6)
 - 1 - New York (105-1322) (CHAO TING CHI) (1)
 - 1 - New York (105-1329) (Survey of Chinese Communist Activity in the US) (1)
 - 1 - New York (65-16441) (SASH) (6)
 - 1 - New York (100-89851) (HENRY HILL COLLINS) (7-4)
 - 1 - New York (65-15257) (SOLOMON ADLER) (6)
 - 1 - New York (100-15140) (TIM BUCK) (6)
 - 1 - New York (105-7304) (JACK COWAN) (1)
 - 1 - New York (100-74560) (CP, USA-FUNDS) (19)
 - 1 - New York (100-96778)
- ACB:SBF (#6)
(21)

Approved: _____ Sent _____
Special Agent in Charge

134-91-1320

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AIRTEL

NY 100-96778

discussing the trade operation with [redacted] the latter two expressed a desire that "the contact in London" confer with JACK COWAN, who would be in London between May 3rd and May 15th at the Cumberland Hotel.

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COE stated that to expedite matters TIM BUCK should write a letter to CHI CHAO TING, Vice-Chairman of the Committee for Promotion of Foreign Trade, Peking, China, mentioning TING's "friend from New York" (COE), and requesting that TING take action to expedite the trade operation.

COE said he would write immediately to the "London contact", whom he identified as "an old friend with whom I had worked in government - SOLOMON ADLER, whose address is 72 Queen Edith's Way, Cambridge, England." COE said he would request ADLER to meet COWAN at the Cumberland Hotel in London. COE then suggested that NY 694-S write to COWAN, advising the latter to that effect. The informant agreed to do so, and also informed COE that he would advise TIM BUCK of COE's suggestion that BUCK write to CHI CHAO TING.

COE indicated that there was nothing further to discuss about the China trade operation at the moment, and said he would recontact NY 694-S when the need for further discussion of the matter should arise. The conference was held at a bar in NYC, was of short duration, and no mention was made by COE [redacted] of the Two Continent Commodity Corporation, which presumably is the USA headquarters of the China trade operation. COE did mention, however, that the CP, USA would be "cut in on this deal".

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A review of the file of SOLOMON ADLER, aka Sol Adler, Schlomer Adler, Schlomok Adler, Schlom Adler (Bufile 65-58751) reflects that "the London contact" is very likely identical with the SOLOMON ADLER identified by ELIZABETH BENTLEY as a United States Treasury representative in Chungking, China, dues paying member of the CP, and an active member of a Russian espionage group active in Washington, D.C., prior to 1944. ADLER has resided in

AIRTEL

NY 100-96778

England since 1950, having lost his American citizenship by expatriation on December 15, 1953. The report of SA JOSEPH F. BUSH, dated 4/6/53 at NY, in the case entitled "NATHAN GREGORY SILVERMASTER, wa., ESPIONAGE - R" (Bufile 65-56402) reflects that CHI CHAO TING, member of the Chinese Stabilization Board, was a close associate of SOLOMON ADLER.

The Bureau and Chicago will be advised when NY 694-S secures further information regarding the China trade operation.

POWERS

5-12

5/7/58

PLAIN TEXT

AIRTEL

TO: DIRECTOR, FBI (100-3-81)
FROM: SAC, NEW YORK (100-86624)
RE: CP, USA
INTERNATIONAL RELATIONS
IS-C

NY 694-S* advised SA [redacted] on 5/7/58, that on the previous evening, [redacted] at CP Headquarters, NYC, told him the following:

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For the past two days [redacted] a blond-haired Cuban of medium height, who is a member of the Industrial Section of the CP, has been dictating an English translation of the Cuban CP Party Program to her. This program became effective in December, 1957.

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According to [redacted], and also according to functionaries in the CP National Office, the Cuban Rebel leader, FIDEL CASTRO, has requested assistance from the Cuban CP, and through the Cuban CP, the assistance of the CP, USA. [redacted] according to [redacted] is currently attempting to arrange a meeting at Carnegie Hall in behalf of CASTRO, and is seeking assistance from CP, USA functionaries in arranging such a meeting. So far the CP, USA has made no decision with regard to assisting [redacted] in arranging the proposed meeting, or in regard to assisting CASTRO generally.

FOUWERS

- 3 - Bureau (100-3-81) REGISTERED
1 - New York (134-91) (P & C) INVS.
1 - New York (100-86624) [redacted] (12-11)
1 - New York (100- [redacted] of Industrial Section) (12-15)
1 - New York (100-86624)

AMM:smu(57)
(3)

1 - Supervisor [redacted] (#7)

134-91-1324

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5-12

5/7/58

AIRTEL

TO: DIRECTOR, FBI (100-3-69)
FROM: SAC, NEW YORK (100-80641)

CP USA, ORGANIZATION
IS-C

NY 694-S* advised SA [redacted] on 5/7/58 that on the previous evening, [redacted] at CP Headquarters, NYC, told him that a National Executive Committee meeting of the CP USA would be held on 5/9, 10, and 11/58. MICKEY LIMA, from the West Coast, had been invited to attend as well as CARL WINTER, from Detroit. CLAUDE LIGHTFOOT, from Chicago, and PAT TOOHY, from N.J. [redacted] said that LIGHTFOOT is hesitating about attending this NEC meeting.

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POWERS

3 - Bureau (100-3-69) (RM)
1 - Chicago (100-) (CLAUDE LIGHTFOOT) (RM)
1 - Detroit (100-) (CARL WINTER) (RM)
1 - Newark (100-) (PAT TOOHY) (RM)
1 - San Francisco (100-) (MICKEY LIMA) (RM)
① - New York (134-91) (P & C) (11/11/58)
1 - New York (100-68994) [redacted] (#12-11)
1 - New York (100-80641)

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AMM:imcl (#7-5)
(11)

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#6 [redacted] RLB ✓

SAC, NEW YORK (100-21785)

5/7/58

SA [redacted] (#6)

[redacted]
IS-R

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On 5/1/58, NY 694-S* advised that he had turned over to [redacted] the Micro-Pixie camera and canvister of film on 4/30/58. [redacted] was very pleased and wanted to know if NY 694-S* could obtain more of them.

The informant pointed out that the manufacturer is out of business and it would be almost impossible to obtain a large quantity of the cameras. [redacted] has provided MOURAVIEV of Amtorg with the information re the Gastro-Photor Camera and both [redacted] and AMTORG are awaiting word from Moscow as to whether one of the cameras should be purchased.

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- 1- NY 134-91 (Inv.) (#6)
- 1- NY 105-12374 (#17)
- 1- NY 65-7471 (#17)
- 1- NY 105-5931 (#17)
- 1- NY 100-21785

ACB:pms
(5)

134-91-1323
JH
[redacted] acb

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OFFICE MEMORANDUM

UNITED STATES GOVERNMENT

TO : DIRECTOR, FBI (100-3-102)
 FROM : SAC, NEW YORK (100-128861)
 SUBJECT: CP, USA - FUNDS
 (RESERVE FUNDS)
 IS - C

DATE: 5/7/58

On 4/22/58, NY 694-S*, who has furnished reliable information in the past, advised that on the previous day he had conferred with ROBERT THOMPSON, CP, USA Organizational Secretary.

THOMPSON said he felt certain he would have to return to jail in the near future, since it was very likely that the court would rule against him in his current appeal. Among those being considered as his successor as Organizational Secretary are JACK KLING, GUS HALL, IRVING POTASH, [REDACTED] LOU DISKIN and WILLIAM ALBERTSON. THOMPSON's successor is to hold this post on a temporary basis only, since THOMPSON will again assume the role of CP Organizational Secretary upon the completion of his jail sentence.

- 3 - Bureau (100-3-102) (CP, USA - FUNDS (RESERVE FUNDS)) (RM)
 - 1 - (100-3-69) (CP, USA ORGANIZATION)
- 3 - Newark (RM)
 - 1 - (100-38849) [REDACTED]
 - 1 - (100-35161) [REDACTED]
- 1 - Miami (RM)
- 1 - Chicago (JACK KLING) (RM)
- 1 - Jacksonville (RM)
- 1 - Cleveland (GUS HALL) (RM)
- 1 - New York (100-80641) (CP, USA ORGANIZATION)
- ① - New York (134-91) (P&C) (INVS)
- 1 - New York (100-27452) (ROBERT THOMPSON)
- 1 - New York (100-48033) (IRVING POTASH)
- 1 - New York (100-18402) [REDACTED]
- 1 - New York (100-81738) (LOU DISKIN)
- 1 - New York (100-129629) (WILLIAM ALBERTSON)
- 1 - New York (100-8057) (EUGENE DENNIS)
- 1 - New York (100-7658) (LEM HARRIS)
- 1 - New York (100-19679) (ISADORE WOPSY)
- 1 - New York (100-25849) (EDWARD BARSKY)

(CONT'D ON PAGE 1A)

AJS:ecb
 (33)
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134-9171324

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NY 100-128861

COPIES CONT'D

1 - New York (65-34) (LEON JOSEPHSON)
1 - New York (100-99873) [REDACTED]
1 - New York (100-16021) (ARNOLD JOHNSON)
1 - New York (100-13336) [REDACTED]
1 - New York (100-86971) [REDACTED]
1 - New York (100-81495) (HARRY HAYWOOD)
1 - New York (100-28609) [REDACTED]
1 - New York (100-26018) (LOUIS WEINSTOCK)
1 - New York (100-9365) (WILLIAM Z. FOSTER)
1 - New York (100-128314)
1 - New York (100-74560)
1 - New York (100-128861)

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NY 100-128861

It was decided that in the event NY 694-s* has any problems regarding CP, USA reserve fund matters during the period before THOMPSON's successor is appointed, the informant should confer with BILL ALBERTSON, NY State CP Organizational Secretary. THOMPSON has arranged for this contact with ALBERTSON, and EUGENE DENNIS is aware of the arrangement.

In view of his probable return to jail, THOMPSON informed NY 694-s* that it will not be necessary for latter to submit criticisms of the present reserve fund operation as THOMPSON had previously requested the informant to do.

NY 694-s* showed THOMPSON a list of names of reserve fund donors, whom he had contacted in the past. THOMPSON indicated he was not familiar with this list of people and instructed NY 694-s* to "handle this list as your own". THOMPSON authorized the informant to operate as an "independent" in the reserve fund operation. THOMPSON suggested, however, that NY 694-s* consult with LEM HARRIS or ISADORE WOFSEY regarding this list. Regarding WOFSEY, THOMPSON said "it might be better not to do much talking to him since he probably won't be in this too long".

THOMPSON emphasized that in talking with LEM HARRIS or WOFSEY, NY 694-s* "should give directions and be your own boss". THOMPSON mentioned ALBERTSON and DENNIS would give the informant "full support".

THOMPSON further stated that he had instructed the national office staff to give NY 694-s* whatever general information the informant required for transmission to TIM BUCK of the Canadian CP.

NY 694-s* agreed to attempt to reactivate the former reserve fund donors on his list and to develop new donors.

NY 100-128861

THOMPSON then said he is interested in developing an export-import business. He indicated that while in the Atlanta Penitentiary with IRVING POTASH, he had discussed with the latter the Zeiss Optical Co., located in Eastern Germany, which manufactures optical equipment not made in the United States and from whom the United States must buy this equipment. It was THOMPSON's idea to organize an agency in the United States to sell certain Zeiss products here.

THOMPSON stated he had been attempting to re-activate [redacted] as a CP donor. THOMPSON said the "approach" to [redacted] had to be made through LEON [redacted] JOSEPHSON. THOMPSON sent ARNOLD JOHNSON to see the JOSEPHSONS in this connection, and JOHNSON reported that "it will be difficult to get to [redacted] or anyone else that the JOSEPHSONS know".

THOMPSON indicated that the JOSEPHSONS are in the "ultra-left camp", and favor the formation of a new CP, USA. [redacted] he said, is the "more violent" of the two JOSEPHSONS, demanding that a more militant party be formed. THOMPSON mentioned that the "ultra-left" recently held a conference attended by fifty people "from all over". The leaders of the group attending the conference were [redacted] and HARRY HAYWOOD. At this conference a motion was made that a new CP be formed, but on the vote, with five conferees abstaining, the motion was defeated. Twenty-eight persons voted against the motion, while seventeen voted for the motion.

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According to THOMPSON, the JOSEPHSONS are refusing to donate to the reserve fund until the situation is "straightened out". The JOSEPHSONS state they are assisting individual CP members, who are in need of funds for their own support.

NY 694-s* told THOMPSON that the JOSEPHSONS never were large contributors to the reserve fund, pointing out their contributions never exceeded \$100.00 per month. Over the years, they have always given the same excuse - that they secretly were affording financial assistance to worthy CP members. The informant characterized their excuse as "baloney".

NY 100-128861

THOMPSON then said he wished to discuss several matters concerning which NY 694-s* could be of assistance.

THOMPSON mentioned that [redacted] [redacted] operate a silk drapery business, the profits of which, until about two years ago, were shared on a "fifty-fifty" basis with the NY State CP. [redacted] who has quit the Party, was the CP's contact with them. After [redacted] left, the Party lost all contact with these people and they have not contributed a "cent" to the Party during the past two years. THOMPSON requested NY 694-s* to do what he could to reactivate the [redacted] as donors.

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THOMPSON said that LOUIS WEINSTOCK has been "handling" two people, concerning whom he has given "glowing reports" to the Party, but from whom he has not received any money to date. One of these individuals was identified as "old man ISSERMAN" (Phonetic) by THOMPSON. This individual was described as retired, now living in Florida, and is the father of a NJ attorney. According to THOMPSON, WEINSTOCK recently visited ISSERMAN in Florida, and the latter agreed to give the Party between \$20,000 - \$30,000 provided the money is used as a welfare fund for old and sick CP leaders, such as WILLIAM Z. FOSTER.

WEINSTOCK, while in Florida, also conferred with one [redacted] (Phonetic), a Hungarian, who is a dress manufacturer. [redacted] occasionally visits NYC. THOMPSON and WEINSTOCK recently had "a long session" with [redacted] at LEON JOSEPHSON's residence. [redacted] was prepared to give the Party several thousand dollars, but JOSEPHSON, by reason of his attitude alluded to above, "killed it".

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According to NY 694-s*, THOMPSON assumed that NY 694-s* knew "ISSERMAN" and [redacted] and NY 694-s* felt it would be unwise to admit that he did not know these people lest THOMPSON change his mind about the informant's contacting them. NY 694-s* will try to obtain further information about "ISSERMAN" and [redacted] from LEM HARRIS or ISADORE WOFPSY.

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NY 100-128861

Before terminating this conference, THOMPSON stated that if he has the opportunity before returning to jail, he will arrange another meeting with NY 694-s*.

If above information is to be used in reports disseminated outside the Bureau, it should be appropriately paraphrased to protect the identity of NY 694-s*.

If the Newark, Miami or Jacksonville offices can identify "ISSERMAN" or [redacted] from the information set out above, they are requested to notify the Bureau and NY.

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AIRTEL

TO: DIRECTOR, FBI (100-3-69)

FROM: SAC, NEW YORK (100-80641)

SUBJECT: CP, USA - ORGANIZATION
IS - C

NY 694-S*, on May 9, 1958, advised that [redacted] at CP National Office, had informed that [redacted] had arrived at CP National Office on 3/8/58, and had met with JAMES E. JACKSON alone that day and were to present their complaint to National Executive Committee as well as to [redacted] member of National Committee from New York, and [redacted] member of New York State CP Committee from Brooklyn, both of Left Faction.

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- (RM)
- 3- Bureau (100-3-69)
 - 1- Chicago (100-) (CP, USA - Organization)
 - 1- Chicago (100-) (CLAUDE LIGHTFOOT)
 - 1- Chicago (100-) (CP, USA, Illinois District-Factionalism)
 - 1- Los Angeles (100-) (CP, USA - Organization)
 - 1- Los Angeles (100-) [redacted]
 - 1- Los Angeles (100-) [redacted]
 - 1- San Francisco (100-) (CP, USA - Organization)
 - 1- San Francisco (100-) [redacted]
 - 1- San Francisco (100-) [redacted]
 - 1- New York (134-91) (Inves) (5)
 - 1- New York (100-8057) (EUGENE DENNIS) (1-5)
 - 1- New York (100-99305) [redacted] (12-11)
 - 1- New York (100-7025) [redacted] (7-5)
 - 1- New York (100-80634) [redacted] (12-11)
 - (COPIES CONTINUED)
 - 1- New York (100-80641)

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JVM:may
(22)

134-91-1325

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FBI - NEW YORK	

[redacted] HCB

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NY 100-86541

(COPIES CONTINUED)

- 1- New York (100-13480) (JOSEPH STAROBIN) (1-6)
- 1- New York (100-1211) (CP, USA - Factionalism) (1-6)
- 1- New York (100-16765) (JAMES E. JACKSON) (1-6)

[] also informed that National Committee is to meet the weekend of June 28, 1958, and six additional members for National Executive Committee will not be selected until that time. An Eastern Seaboard Conference will be held shortly in New York, possibly at CP National Office. In two weeks a Midwestern Conference is to be held in Chicago, headed by EUGENE DENNIS. CLAUDE LIGHTFOOT is arranging this conference. A West Coast Conference is to be held on June, 28, apparently in conflict with the NC MEETING ON June 28 weekend.

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[] noted that a problem had arisen in California in that [] wants to be District Organizer of Southern California District, but [] opposes him. EUGENE DENNIS does not favor [] JOSEPH STAROBIN, resigned CP member, has been in conference with [] on West Coast. [] does not agree with the thinking of STAROBIN, stating that STAROBIN has forgotten the class struggle. The attitude of [] has changed somewhat. He will not leave the CP, but wants no part in its leadership.

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POWERS

OFFICE MEMORANDUM

UNITED STATES GOVERNMENT

5/15

TO : DIRECTOR, FBI (100-3)

FROM : SAC, NEW YORK (100-80641)

SUBJECT: COMMUNIST PARTY, USA
ORGANIZATION
IS-C

DATE: 5/12/58

On 5/6/58, NY 694-S* advised SA [redacted] that on the day before, JAMES E. JACKSON had stated as follows:

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The National Executive Committee (NEC) will hold a meeting on the weekend of May 9th, 10th, and 11th, 1958. The said committee still has only nine members, and attempts are being made to have the membership increased by six additional members. It is possible that CARL WINTER may become a member of the NEC. The Party is desirous of [redacted] of the Northwest District becoming a member of the NEC and of either [redacted] of California becoming a member of the said committee.

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One of these days the Party will seriously attack the "Ultra-Left question" and will take "organizational measures" against Ultra-Left leaders. The Party will make an example of one or two of them.

Concerning the "Right Wing", the twenty-one on the West Coast who left the Party, and who are led by [redacted] are in touch with FRED FINE and SID STEIN.

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In New Jersey, [redacted] is still active in the "Right Wing". The Party is quite satisfied with the New Jersey CP. [redacted] and PAT TOOHEY staged a good May Day meeting, attended by about two hundred people. TOOHEY is expected to attend the coming NEC meeting.

2 - Bureau (100-3)(RM)
1 - Chicago (100-) (FRED FINE) (RM)
1 - Detroit (100-) (CARL WINTER) (RM)
2 - Los Angeles (100-) (RM)
 (1-100-) [redacted]
3 - Newark (100-) (RM)
 (1-100-) [redacted]
 (1-100-) (PAT TOOHEY)
1 - San Francisco (100-) (RM)
1 - Seattle (100-) (RM)
1 - New York (100-80641)
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JVW:jad
(17)

134-91-1326

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FBI - NEW YORK	

[redacted] P. AEB

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NY 100-80641

1 - New York (100-16785) (JAMES E. JACKSON) (7-5)
1 - New York (100-50090) (SID STEIN) (7-5)
1 - New York (100-87211) (CPUSA-Factionalism) (7-5)
1 - New York (100-74560) (CPUSA-Funds) (7-5)
① - New York (134-91) (Inves) (6)

NY 100-80641

It has been agreed that the national goal of the current CP fund drive is \$185,000.00. District quotas have not been determined as yet.

JACKSON also said that while in the underground he wrote a thesis on the Negro question under the name of MANN.

DIRECTOR, FBI

5/14/58

SAC, NEW YORK (100-21421)

ALEXANDER TRACHTENBERG
IS-C

Re NY airtel to Bureau, 5/3/58, concerning arrangements whereby NY 694-S*, at TRACHTENBERG's request, would obtain two thousand dollars in cash, which amount would then be exchanged for a similar amount in the latter's possession.

In accordance with these arrangements, SA [redacted] furnished NY 694-S* with two thousand dollars in twenty dollar bills which the informant turned over to TRACHTENBERG, receiving in return twenty-eight one hundred dollar bills on 5/4/58. The serial numbers of these bills have been recorded. Two thousand dollars of this money was redeposited in the NYO account. The extra eight hundred dollars was returned to NY 694-S*.

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The serial numbers of the Federal Reserve Notes received from TRACHTENBERG are listed below for the Bureau's information:

Federal Reserve Notes

Series 1950A - X 01454562A
Series 1950A - X 01454563A
Series 1950A - X 01454564A
Series 1950 - D 00368532A
Series 1950 - A 00224519A
Series 1934A - B10925896A
Series 1934A - B14253524A
Series 1934B - E04649612A
Series 1934A - B10556583A
Series 1934A - C08459654A
Series 1934C - B06735076A
Series 1934C - C10861071A
Series 1934A - B13715880A
Series 1934A - B13423572A

- 2 - Bureau (61-2115) (RM)
- 2 - Dallas (RM)
- 1 - New York (134-91) (PAC) (Inv.) (46)
- 1 - New York (100-21421)

CQS:phg
(6)

134-91-1327

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[redacted]

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NY 100-21421

Series 1934 D - F04754583A
Series 1934 - L06497148A
Series 1934 - F02896753A
Series 1934 - G09647684A
Series 1934 C - L07353457A
Series 1934 C - J02815867A
Series 1934 - A02699801A
Series 1934 A - B16130900A
Series 1934 A - B11036292A
Series 1934 A - B08229026A
Series 1934 A - G07419004A
Series 1934 C - I01433660A
Series 1934 - L06921285A
Series 1934 - A02176959A

The above serial numbers were compared with the known serial numbers of currency issued to NY and Washington Soviet establishments with negative results.

It is noted that the most recently issued bills were the three Federal Reserve Notes of Series 1950A, bearing the prefix letter "K" of the Federal Reserve Bank of Dallas.

In an effort to trace this money, it is requested that the Dallas Office ascertain from the Federal Reserve Bank of Dallas, the date and the name of the bank that received the following Federal Reserve Notes:

Series 1950A - K 01454562A
Series 1950A - K 01454563A
Series 1950A - K 01454564A

For the information of the Dallas Office the above bills originally came from the Soviet Embassy in Canada and were transferred to TRACHTENBERG in the presence of NY 694-S*. Consequently all inquiries should be discreet in order to protect the informant.

OFFICE MEMORANDUM

UNITED STATES GOVERNMENT

TO : DIRECTOR, FBI (100-3-69)
FROM : SAC, NEW YORK (100-80641)
SUBJECT: CP, USA
ORGANIZATION
IS - C

DATE: 5/15/58

NY 694-S* advised on 5/13/58, that JAMES JACKSON, CP Secretary in Charge of Negro Affairs, furnished the following information on 5/12/58:

2 - Bureau (100-3-69) (RM)

8 - Chicago (RM)

1 - (100-

1 - (100-

1 - (100-

1 - (100-2748

1 - (100-

1 - (100-

1 - (100-

1 - (100-



(CLAUDE EIGHTFOOT)

(CPUSA Organization)

(CPUSA Factionalism - Illinois District)

(CPUSA Illinois District - South Side
Section, Chicago)

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4 - Los Angeles (RM)

1 - (100-

[redacted] an individual being considered
by CP leadership as member of committee to
replace DOROTHY HEALEY, per NY 694-S* on
5/13/58)

1 - (100-4486) (DOROTHY HEALEY)

1 - (100-

1 - (100-

(CPUSA Southern California District)

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b7C

2 - Newark (RM)

1 - (100-

1 - (100-19491)

(PAT TOOHEY)

1 - San Francisco (100-) (ALBERT JASON "MICKIE" LIMA)

(COPIES CONTINUED)

JVW:ecb

[Handwritten initials]

134-91-1328

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MAY 16 1958	
FBI - NEW YORK	

[redacted box]

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NY 100-80641

(23) - New York
1 - (100-32826) [REDACTED] (7-1)
1 - (100-20128) (ALEXANDER BITTELMAN) (7-4)
1 - (100-23825) (BENJAMIN J. DAVIS) (7-5)
1 - (100-8057) (EUGENE DENNIS) (7-5)
1 - (100-1696) (ELIZABETH GURLEY FLYNN) (7-5)
1 - (100-17923) (JOHN GATES) (7-5)
1 - (100-16785) (JAMES E. JACKSON) (7-5)
1 - (100-25780) (CORLISS LAMONT) (7-1)
1 - (100-7664) [REDACTED] (7-1)
1 - (100-91923) [REDACTED] (12-14)
1 - (100-18065) (JACK STACHEL) (7-5)
1 - (100-50090) (SID STEIN) (7-5)
1 - (100-27452) (ROBERT THOMPSON) (7-5)
1 - (100-9595) (WILLIAM WEINSTONE) (7-6)
1 - (100-81752) (CPUSA Compros) (7-1)
1 - (100-86624) (CPUSA International Relations) (7-5)
1 - (100-80635) (CPUSA Jewish Question) (7-5)
1 - (100-54651) (CPUSA National Groups) (7-5)
1 - (100-80640) (CPUSA Negro Question) (7-5)
1 - (100-79717) (CPUSA Political Activities) (7-5)
1 - (100-131940) (American Forum For Socialist Education) (7-3)
(1) - (134-91) (Inves) (6)
1 - (100-80641)

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NY 100-80641

During the National Executive Committee meeting in NYC, on the week-end of May 9th and 10th, 1958, Chicago CP functionaries [redacted] representing the "Ultra Left" faction in the Chicago South Side Section, were granted a twenty-minute audience by the NEC to present their grievances. [redacted] demanded that the NEC recognize the election recently held in the South Side Section, which they insisted was "legal". As a result of the said election, six members were appointed to the Regional Committee, and three members to the Illinois State Committee. [redacted] complained that CLAUDE LIGHTFOOT, [redacted] had "walked out" of the aforesaid South Side Section meeting.

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After hearing [redacted] the NEC ruled that it was not the policy of the NEC or NC to by-pass or over-rule state committee leadership; and that [redacted] should return to Chicago and present their grievances to the Illinois State Committee for a full discussion. This ruling satisfied [redacted] and everybody else.

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JACKSON stated as his personal opinion that [redacted] is a "crack-pot" and "trouble maker". He expressed doubt that [redacted] would receive any satisfaction from the Illinois State Committee, and stated that certainly no action regarding the complaint would be taken by the NEC.

JACKSON then gave NY 694-S* a summary of the agenda at the aforesaid NEC meeting as follows:

PARTY PROGRAM

[redacted] submitted a comprehensive report of the CP program, the three principal points of which were (1) the concept of the American road to socialism; (2) the concept of the period of peaceful transition; and (3) the concept of anti-monopoly government.

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[redacted] pointed out that although the CP goal is peaceful transition, the sharpening class struggle requires revolutionary action such as Congressional legislation, the election of "congressional blocks", and trade union representation and participation in government. [redacted] stated that there is only one true road to socialism, which, however, may be travelled in different ways.

NY 100-80641

Anti-monopoly government, [] said, does not mean merely the disruption of cartels and large firms. It means also the elimination of holding companies and power groups that control cartels.

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The only one present at the NEC meeting who took exception to [] report was ALEXANDER BITTELMAN. He insisted that between the period of the American road to socialism and the period of peaceful transition, there be a so-called period of the welfare state. BITTELMAN was overwhelmingly over ruled on this point by the NEC conferees. The program committee was then instructed to complete and to polish the CP program, which would be submitted for approval to an enlarged National Committee meeting to be held next fall.

NEGRO QUESTION

Based on a report on the Negro Question submitted by JACKSON, a resolution was adopted which was to the following effect: that the concept of the Negro people in the USA as a nation is unsound; and that self-determination for the black belt is incorrect as a political solution of the problem. These concepts tend to fetter the work and program in behalf of the Negro, and lead to the establishment of a colonial nation, which is not the solution of the problem.

JACKSON was requested by the NEC to seek the assistance of leading Negro comrades in completing the report. Upon acceptance by the NC of the report on the CP program and the report on the Negro Question, these reports will be the basis of authoritative CP policy. JACKSON noted that for the first time in thirty years, the CP would present a new Negro policy.

1958 ELECTIONS

The NEC discussed the proposal of the Socialist Unity Forum, leaders of which are [] of the "National Guardian" and [] the economist, that the CP support the Socialist Unity Forum's candidates in the 1958 election, and actively participate in the election campaign of these candidates. The NEC meeting unanimously opposed this proposal, arguing that to support such candidates would be in effect to by-pass the union movement and the Negro people.

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NY 100-80641

The sentiment at the meeting was that the Socialist Unity Forum represents a frustrated middle-class element that stands on the side lines of the class struggle. The NEC did agree, however, to support CORLISS LAMONT, who will oppose [redacted]

The NEC felt that despite the fact that the major parties have no working-class program, it would be in the interest of the CP to support trade unionists whom the major parties may name as candidates.

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The NEC was of the opinion that ADAM CLAYTON POWELL would retain his congressional seat in November, and that [redacted] "Democratic machine" had made a grievous mistake in opposing him. POWELL, the NEC believes, would run as an independent, and would win "hands down".

REPORT BY MICKEY LIMA ON THE RESIGNATION OF THE TWENTY-SIX IN CALIFORNIA

MICKEY LIMA's report was very good. He took exception to ROBERT THOMPSON's attacks on those individuals in THOMPSON's letter of April 14, 1958, and in an interview of THOMPSON reported in the Sunday "Worker" of May 4, 1958. LIMA charged THOMPSON with being "too rough and threatening" in his criticism of "the twenty-six" in California. The NEC meeting agreed that THOMPSON's treatment of "the twenty-six" was probably "too rough", but also expressed the opinion that "a line must be drawn" - that the Party must not be passive, and must take action whether such action be directed against the "Right" or the "Ultra Left".

LIMA agreed that though "rough", THOMPSON was essentially correct in his criticism of "the twenty-six", and that the Party must take action against "transgressors".

REPORT BY PAT TOOHEY ON NEW JERSEY CP

PAT TOOHEY reported that [redacted] is becoming "impossible and unbearable", and is doing everything to disrupt the Party in New Jersey. She is actively in contact with the SID STEIN and JOHN GATES group in New York. TOOHEY complained that STONE did not turn over to the Party important records and the names of CP donors. She argued that the Party had as much information as she regarding such records and donors.

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NY 100-80641

According to TOOHEY, [] and the six other CP functionaries who resigned with her from leadership spend their evenings in conspiring against the Party. TOOHEY complained that [] was giving him "a hard time", and insisted that the NEC should take action against her. The NEC agreed with TOOHEY, but during the meeting made no recommendation of disciplinary action against []

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JEWISH QUESTION

The NEC appointed a committee to investigate the Jewish Question. The committee, headed by JACK STACHEL and including WILLIAM WEINSTONE and BENJAMIN J. DAVIS, will discuss grievances with leading Jewish comrades and make recommendations at a later date.

According to JACKSON, EUGENE DENNIS had been scheduled to submit a report on the "Summit Conference and Peace", but by reason of lack of time, the report was not submitted. DENNIS will prepare a written report for dissemination to NEC members.

JACKSON advised that the CP Mid-West conference would be held in Chicago on May 24th and 25th, 1958, and that EUGENE DENNIS would preside at the conference.

The next National Committee meeting is scheduled for June 27th and 28th, and the West Coast meeting has been scheduled for the fall. With respect to the Los Angeles CP, JACKSON said the CP would like to replace DOROTHY HEALEY, whom he described as a revisionist, with a committee consisting of []

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[] The CP, JACKSON said, is awaiting the return of ELIZABETH GURLEY FLYNN from the West Coast for a report on the CP situation there.

121
NEW YORK, N. Y.

5/19/58

AIRTEL

RM

TO: DIRECTOR, FBI (100-21341)
FROM: SAC, NEW YORK (100-15140)
SUBJECT: TIM BUCK
IS - R

NY 694-S advised on 5/19/58 that on 5/18/58 [redacted] of ELIZABETH MASCOLO, TIM BUCK'S girl friend, visited the informant at latter's home. According to [redacted] BUCK and ELIZABETH MASCOLO flew to Mexico City via British Columbia on 5/9/58. After completing their business (unspecified) in Mexico City, BUCK and MASCOLO planned to go to place 20 miles south of Acapulco for a rest. After a short stay there, BUCK planned to return to Toronto. MASCOLO [redacted] (Bufile 105-25100), plans to leave New York on 5/21/58 to join [redacted] in Mexican vacation.

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Above submitted for information of Bureau.

POWERS

- 3 - Bureau (100-21341)(RM)
- (1) - New York (134-91 P&C, Inves.)
- 1 - New York (100-57446, ELIZABETH MASCOLO)
- 1 - New York (105-9917, [redacted])
- 1 - New York (105-6808, [redacted])
- 1 - New York (65-16441, SASH)
- 1 - New York (100-15140, TIM BUCK)

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b7C

ACB:DMCK
(9)

134-91-1329

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FBI - NEW YORK	

1028

5/20/58

AIRTEL

TO: DIRECTOR, FBI (100-3-81)
FROM: SAC, NEW YORK (100-88824)
SUBJECT: CPUSA-INTERNATIONAL RELATIONS
LI-3

On 5/19/58, NY 694-S* furnished SA [redacted] with the following described documents, which had been supplied to the informant by JAMES E. JACKSON for transmittal to TIM BUCK, head of the Labor Progressive Party of Canada. Photostat copies of these documents were made in order that the originals might be returned to the informant.

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These documents are:

1. Letter dated 5/15/58, to all National Committee members, signed by BOB THOMPSON, reporting the proceedings taking place at the meeting of the National Executive Committee held on 5/9 and 10/58.

This letter also reflects the scheduling of a National Committee meeting on 6/28 and 29/58; an Eastern Seaboard conference on 5/17 and 18/58; a Midwest conference on 5/24 and 25/58; a Northern California District conference on 7/12 and 13/58; a Southern California District Convention around September.

These conferences are, it is said, undoubtedly to center on economic and political problems and CP participation in the 1958 elections.

Mention is also made of the opening of the fund drive and the fact that 'The Worker' subscription drive is not doing well.

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2. Report of [redacted] to the NEC, 5/9/58, on basic program of the CP.

Photostat copies of the letter and report are forwarded to the Bureau as enclosures.

3 - BUREAU (100-3-81) (Encs.-2) (RM)
1 - NEW YORK (134-91) (INVS) (RM)
1 - NEW YORK (100-88824) (7-5)

JVW:HC (7-5)
(5)

1 - SUP. J. J. KEARNEY, 7-5

134-91-11330

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MAY 20 1958	
FBI - NEW YORK	

[redacted] [initials]

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PAGE TWO

NY 100-86624

Photostat copies of this material are retained by NYO as exhibits as 100-86624-1B255 and 1B256.

Dissemination to other offices and NY files is to be made separately.

POWERS

F B I

Date: 5/23/58

Transmit the following in _____
(Type in plain text or code)

Via AIRTEL _____
(Priority or Method of Mailing)

TO DIRECTOR, FBI (100-3-94)
FROM SAC, NEW YORK (100-96985)
SUBJECT CP, USA
UNDERGROUND OPERATIONS
IS-C

NY 694-S* advised SA [redacted]
on 5/21/58 that, in a conference that date with JAMES JACKSON,
CP, USA Secretary in Charge of Negro Affairs, the informant
steered the conversation to a discussion of the CP underground.

3-Bureau (100-3-94)(RM)
1-Chicago (100-) { CP, USA, UNDERGROUND OPERATIONS)(RM)
1-Cleveland (100-) { GUS HALL)(RM)
1-St. Louis (100-) { CP, USA, UNDERGROUND OPERATIONS)(RM)
1-New York (100-16785) { JAMES JACKSON)(7-5)
1-New York (100-18402) { [redacted] 12-15)
1-New York (100-27452) { ROBERT THOMPSON)(7-5)
1-New York (100-267) { HENRY WINSTON)(7-5)
1-New York (134-91) { INVESTIGATIVE)(6)
1-New York (100-96985)(7-5)

AWM:jmb (#7-5)
(13)

39K

134-91-13311

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NY 100-96985)

During recent weeks, NY 694-S* has been developing close relations with JACKSON but, until 5/21/58, JACKSON studiously avoided any reference to his underground activities. At an opportune moment during his discussion with JACKSON on the above date, NY 694-S* adversely criticized the CP, USA underground operation stating that it had been premature, poorly organized, and ineffective compared with the CP underground operations in Germany in the 1930's when the informant was operating there.

JACKSON agreed with the informant's criticism and made the following comments:

The decision to go underground was "a fast and sudden one," which was "not the responsibility of anyone individual; it came down from one committee to another committee to another committee." In the beginning "the basic tragedy was lack of organization" as a result of which "we had to shift for ourselves." It was only "our discipline" that prevented "complete chaos" and "the moral, mental and physical breakdown" of those in the underground. The initial plan of the underground operation, as JACKSON understood it, was for the top-level leadership to go either to South America or Latin America and, from there, issue orders for underground operations in the USA. JACKSON himself was scheduled to go to Guatemala. JACKSON then referred to the "GUS HALL tragedy." HALL, he said, was to have gone to South America or Latin America. In regard to HALL's itinerary, JACKSON had argued, without success, that HALL should go to his destination via Canada instead of Mexico. ~~He~~ finally decided HALL was to go to Mexico and from there fly to his ultimate destination via "one of the two airlines there." When asked by

NY 100-96985

NY 694-S* to what HALL's capture could be attributed, JACKSON replied, "there are three possibilities: a leak here, a weak spot in the Mexican party, which we don't trust, and the Beria gang." (JACKSON did not discuss this point further, but NY 694-S* inferred from the reference to the "Beria gang" that the Soviets had been consulted concerning the proposed itineraries of HALL and the other underground operators.)

JACKSON then stated that "one of our biggest mistakes was having sent into the underground too many in top-leadership, leaving a secondary leadership which did not function properly."

JACKSON said that for the period of a year during his underground assignment, he lived in a Harlem basement and at times did not know "what week or month of the year it was." He lived there with "a CP couple who were superintendents of the building." On several occasions he had "close calls." Once, when the police searched the building in connection with "a disturbance," he had to hide in the furnace to escape detection. On several occasions he found it necessary to smear his face with soot and to pretend he was working on a boiler. While in this basement, JACKSON spent his time "learning Spanish and conditioning my body." (NY 694-S* infers that the Harlem basement was JACKSON's first hideout where he had planned to stay for only a short time, but where he stayed for a year after learning of GUS HALL's arrest.)

From the Harlem basement, JACKSON went to "a farm in New York State" where he worked as a farmhand.

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The farm was operated by Negroes who were not party people but who were aware that he was "a victim of the Taft-Hartley law and police oppression." JACKSON "moved around among the people in the community, most of whom were Negro farm workers."

JACKSON's final hideout "when things were better organized and I was able to function as an underground leader," was "a small Negro community just outside St. Louis." There JACKSON and other party people established "a fire extinguisher business," from the profits of which they were able to purchase an automobile. In this community JACKSON and his group were able to function "as an underground movement" and establish contacts with the CP. JACKSON's "eyes and ears for work in the south" was [redacted] who executed all JACKSON's orders and furnished him with reports.

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From time to time, JACKSON was in contact with ROBERT THOMPSON and HENRY WINSTON, and when the underground was "at its peak," JACKSON "traveled to make personal contact with THOMPSON and WINSTON."

JACKSON referred to Chicago as "an underground center" and mentioned that BOB THOMPSON "had a kingdom of his own."

JACKSON discussed other matters with NY 694-S* which are being reported by separate communication. The informant believes there is an excellent chance that in subsequent discussions with JACKSON, he may elicit further information regarding the operation of the CP underground. In view of this, ^{it is} the suggestion of the NYO that any investigation taken in regard to the above information be limited to record checks and contacts with established sources.

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due to the fact that it is the first authentic information received about the activities of the fugitives during the underground period, and it is probably known to only a few people in the CP. Any other investigation, no matter how discreet, might possibly compromise NY 694-S* and, through him, CG 5824-S* whose position is particularly sensitive at this time.

POWERS

SAC, NEW YORK (100-57179) (12-13)

SA [redacted] #6

[redacted]
SM-C

Source	NY 694-S* (protect)
Reliability	Who has furnished reliable information in the past
Date of Activity	5/16/58
Date Received	5/16/58
Received By	SA [redacted]

NY 694-S* advised that he first met the captioned subject in the early 1930's when [redacted] as an unemployed photographer, frequented the "Daily Worker" Office looking for work. From conversations with [redacted] NY 694-S* ascertained that the latter had been an artist employed by the WPA, and was a member of a CP group within the WPA.

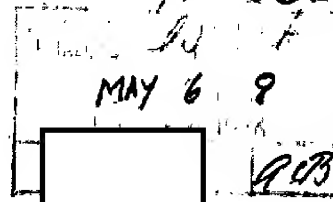
During the 1930's, when NY 694-S* was engaged in placing on 35 mm film the biographies of leading CP functionaries and in sending such biographies to the Soviet Union, he employed [redacted] then a photographer, to assist him in this work. [redacted] and NY 694-S* worked in a dark room at # 1 Union Square, which NY 694-S* utilized for photographic work.

Also, during the 1930's, NY 694-S* introduced [redacted] to SAM CARR, Canadian CP functionary who was involved in Soviet espionage in Canada at that time, and was hiding in New York. CARR and [redacted] and their respective wives, spent a summer together at a summer cottage in Hawthorne, NY. NY 694-S* never knew [redacted] to have had other than social relations with SAM CARR.

NY 694-S* was out of contact with [redacted] for many years after the period mentioned above, but upon meeting [redacted] at a cocktail party in 1953, the informant learned that the [redacted] during the World War II era, had been employed by a government agency as an instructor of photography. By reason of his CP record, [redacted] was never sent abroad.

- ① - New York (134-91)(P & C) (Inves) (6)
1 - New York (100-57179) (12-13)

ACB:jmd
(2)



NY 100-57179

Over the years, [] has been a successful free-lance photographer. Recently, when NY 694-S* met him, [] stated that he now resides in [] NYC, that he is currently unemployed and that he has had no CP affiliation for many years.

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SAC, NEW YORK (100-81701)

5/26/58

SA [redacted] #6

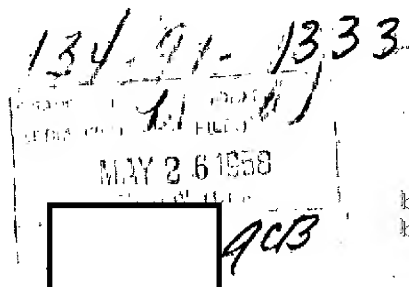
[redacted]
IS-R

Source	NY 694-S* (protect)
Reliability	Who has furnished reliable information in the past
Date of Activity	5/16/58
Date Received	5/16/58
Received By	SA [redacted]

On 5/16/58, NY 694-S advised that according to [redacted] CP Reserve Fund functionary, who makes purchases for Amtorg through Toby's Appliances, 17 West 20th St., NYC, [redacted] continues to be employed at the said store. [redacted] stated to NY 694-S that for about the past six months neither [redacted] have been members of the CP.

- 1 - New York (134-91) (P&C) (Inves) (6)
- 1 - New York (100-62751) (SIDNEY TOBIAS) (12-15)
- 1 - New York (100-21785) [redacted] (6)
- 1 - New York (100-81701) (12-15)

ACB:jmd
(4)



5/23/58

PLAIN TEXT

AIRTEL

TO: DIRECTOR, FBI (100-3-63)
FROM: SAC, NEW YORK (100-74560)
SUBJECT: CP, USA - FUNDS
IS-C

On 5/23/58 NY 694-S* furnished SA [] the following information:

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On 5/23/58 ROBERT THOMPSON, CP, USA Organizational Secretary, advised NY 694-S* that EUGENE DENNIS will attend a CP Mid-West Conference in Chicago on 5/24 and 25/58. While in Chicago, DENNIS will offer CARL WINTER the position of editor of "The Worker" and will offer HELEN WINTER the position of Administrative Secretary-Treasurer of the CP, USA, to replace []. Pursuant to agreement, the funds of the CP National Office and of the NY State office will become a "sustaining fund" controlled by a treasurer and a committee. This "sustaining fund" will not include the Reserve Fund which at present is non-existent. When there is money in Reserve Fund, THOMPSON would like NY 694-S* to control it and advise the others engaged in Reserve Fund operation. To date, the National Office has received only \$400.00 from the current fund drive. GEORGE BLAKE CHARNEY has returned only \$22,000.00 of the \$80,000.00 in CP funds which he was holding and [] has returned none of the \$25,000.00 which he has. THOMPSON believes that CHARNEY and [] will retain money for use of "right wing."

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NY 694-S* on 5/23/58 conferred with ISIDORE WOFSY who stated he was afraid he would not be able to retire from Reserve Fund operations in June, 1958, as planned; that he might be blamed for chaotic condition of Reserve Fund if he remains much longer, that HELEN WINTER might come to NY to assume WOFSY's financial operations. Dissemination to Chicago and other NY files will be made by separate memo.

3 - Bureau (100-3-63) (RM)
1 - New York (100-128314) (CP, USA-Funds, NY District, NYO) (7-5)
1 - New York (134-91) (Inv.) (P&C) (6)
1 - New York (100-74560)
PJS:esc
(7)

POWERS

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1 - Supervisor J. J. KEARNEY, 7-5

134-91-1334

NEW YORK, N. Y.

5/20/58

AIRTEL

RM

TO: DIRECTOR, FBI (100-364447)
FROM: SAC, NEW YORK (100-96778)
SUBJECT: VIRGINIUS FRANK COE, was.
ESPIONAGE - R

Reyairtel to Bureau and Chicago dated 5/6/58.

On 5/27/58 [redacted] furnished the following information to SA JOHN A. HAAG of NYO and SA [redacted] of Newark.

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On 5/29/58 [redacted] FRANK COE is trying to set up a committee to act as purchasing agent for the Red Chinese Government. The Chinese are agreeable but FRANK COE cannot obtain the necessary licenses.

FRANK COE is issuing a trade organ to set up machinery to promote East-West trade with the hope of influencing the lifting of the present embargo. FRANK COE is also trying to establish a similar committee in Canada but has not been successful because TIM BUCK has frowned upon the people being used in this setup. [redacted] did not identify these people.

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[redacted] asked PAT TOOMEY, New Jersey State CP Chairman, to go to Canada, expenses paid, and to consult TIM BUCK, an old friend of TOOMEY'S, in an effort to set up a committee whose members would be agreeable to BUCK and all others concerned. TOOMEY

- 3 - Bureau (100-364447)(RM)
- 1 - Chicago (100- [redacted] SASH)(Info.)(RM)
- 2 - Newark (100-19491, PAT TOOMEY)(RM)
 - (1 - [redacted])
- ① - New York (134-91 SAC, Inves.)(#6)
- 1 - New York [redacted] SAC, Adm.)(#7-0)
- 1 - New York (100-66936, [redacted])(#12-11)
- 1 - New York (65-16441, SASH)(#6)
- 1 - New York (100-15140, TIM BUCK)(#6)
- 1 - New York (100-96778, VIRGINIUS FRANK COE)(#6)

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b7C
b7D

AGB:DMK
(12)

b6
b7C

134-91-1335
[redacted] [signature]

NY 100-10770

indicated to [] that he would make the trip. No date for same was set out [] indicated it should be in the near future.

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Referenced airtel reflects that on 2/2/50 FRANK COE stated that to expedite the Chinese trade operation TIM BUCK should write a letter to CHI CHAO TING, Vice Chairman of the Committee for Promotion of Foreign Trade, Peking, China, mentioning TING's "friend from New York" (COE), and requesting that TING take action to expedite the trade operation. NY 694-S agreed to advise TIM BUCK of COE'S suggestion.

As reflected in NY airtel dated 5/19/50 captioned TIM BUCK; IS - H, BUCK has been in Mexico since May 9th. To date NY 694-S has not been informed of BUCK'S return to Canada, and for that reason has not contacted BUCK to transmit FRANK COE'S request that BUCK write to CHI CHAO TING.

It would appear that FRANK COE is now attempting to use PAT TOOMEY as a channel whereby to expedite the Chinese trade operation. Since NY 694-S is presumably the established liaison between the CP, USA and the CP of Canada, and the original intermediary between COE and BUCK as regards the trade operation, the problem arises whether TOOMEY'S proposed contact with BUCK might adversely affect NY 694-S in his relations with BUCK and the Canadian CP.

It is recommended that the NYO be authorized to tell NY 694-S that it is in receipt of information that COE plans to send some one else to request BUCK to expedite the trade operation. It is further recommended that the NYO ascertain from NY 694-S whether, in his opinion, COE'S action would adversely affect NY 694-S' relations with TIM BUCK, and if so, what the informant suggests as a means of avoiding this situation.

POWERS